

1 BEFORE THE NEVADA STATE BOARD OF COSMETOLOGY

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5 PUBLIC HEARING

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13 Nevada State Board of Cosmetology
14 4600 Kietzke Lane, Bldg. B, Ste. 111
15 Reno, Nevada

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25 Reported By: Susan Culp, CCR #343

1 RENO, NEVADA, MONDAY, DECEMBER 19, 2005, 9:00 A.M.

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4 MS. LEWIS: The meeting of the Nevada State Board of
5 Cosmetology is called to order. And can we attest that the agenda
6 and notices have been properly posted and mailed?

7 MS. COOPER: Yes.

8 MS. LEWIS: We'll have the roll call. I'm E. Lavonne
9 Lewis, Chairman.

10 MS. SCHULTZ: Bonnie Schultz, present.

11 MS. ALEXANDER: Gloria Alexander, present.

12 MS. COOPER: Lisa Cooper, present.

13 MS. ZESIGER: Linda Zesiger, present.

14 MR. WADHAMS: Jesse Wadhams, Deputy Attorney General.

15 MS. LEWIS: We have another staff member here.

16 MS. COOPER: Jill Hutchinson is present. She's from
17 the -- staff from the office.

18 MS. LEWIS: First item on the agenda today is
19 consideration and approval of the agenda. We've already talked
20 about its posting. So may I have a motion to approve the agenda
21 with modifications as necessary?

22 MR. WALTHERS: I'll make a motion that we approve the
23 agenda with any kind of modifications that we need.

24 MS. SCHULTZ: I second.

25 MS. LEWIS: It has been moved by Mr. Walthers and

1 seconded by Miss Schultz that we approve the agenda with
2 modification as needed. Is there any question?

3 All in favor say aye.

4 (Unanimous ayes.)

5 MS. LEWIS: Opposed?

6 Okay. We have the meeting minutes of November 2nd,
7 2005. Are there any corrections to those minutes?

8 MS. ALEXANDER: I didn't see any.

9 MS. COOPER: Nothing that changes the content.

10 MS. LEWIS: Most of the changes that I saw were minor,
11 they cannot change the content. So may I have a motion to approve
12 the minutes?

13 MS. SCHULTZ: I'll make a motion to approve the minutes.

14 MR. WALTHERS: I'll second it.

15 MS. LEWIS: It's moved by Miss Schultz, seconded by
16 Mr. Walthers the minutes of November 2nd, 2005 be approved. Is
17 there a vote on the motion? All in favor say aye.

18 (Unanimous ayes.)

19 MS. LEWIS: Opposed? Any opposed?

20 Okay. Consideration of the treasurer's report. We have
21 some financial reports for the last quarter of 2005 that were
22 included in your packets and I have some questions on these, so
23 I'll ask the secretary/treasurer, the report that --

24 MS. ALEXANDER: Which one?

25 MS. LEWIS: The one that ended June 30th, 2005.

1 MS. ALEXANDER: Okay.

2 MS. LEWIS: We show a negative for payroll expenses.

3 Negative \$12,054. Does anybody know what that is?

4 MS. ALEXANDER: We've never had a negative payroll
5 expense. So I'm going to assume that's an error there, because
6 we've never been negative on any accounts.

7 MS. LEWIS: Well, I would imagine.

8 MS. COOPER: That's the amount probably of one payroll.
9 That looks like an amount for one payroll.

10 MS. LEWIS: Well, why would we have a negative payroll
11 expense?

12 MS. COOPER: I'm thinking that -- For some reason I
13 remember hearing that they put the budget into QuickBooks or they
14 had put like the old budget into, and that this was -- since we
15 had gone over what was budgeted, it went into the negative.

16 MS. LEWIS: Okay. That would be true. But payroll
17 expenses are the amounts of money that we pay the payroll company
18 to process the payroll, that's not the salary.

19 MS. ALEXANDER: We understand that.

20 MS. LEWIS: Okay. So why would there be -- And normally
21 it's running 174 or \$384 for the two months before, so why would
22 we get a 12,000?

23 MS. ALEXANDER: That's why we know that's an error.

24 MS. SCHULTZ: They didn't buy that program, QuickBooks.
25 I'll bet anything that's where they spent the money.

1 MS. LEWIS: Did they buy what program, QuickBooks?

2 MS. ALEXANDER: Yeah, QuickBooks was bought, but payroll
3 is through ADP, and we pay them monthly. And like she says, the
4 monthly cost for them is under \$200, so this has to be an error to
5 have \$12,000.

6 MS. LEWIS: And we didn't contact them about any of
7 these numbers.

8 MS. ALEXANDER: I will contact them and find out why.
9 If you brought it to my attention earlier, I would have. But
10 we've never had a negative balance with ADP. It could have been
11 like sometimes when they put payroll in and if you make a mistake
12 and have to go back and do an adjustment, that could be where it's
13 showing up as a negative. But I will get you the true answers to
14 why that is there. But we've never had a problem with ADP and
15 never been in the negative with them.

16 MS. LEWIS: We can probably check that with the
17 bookkeeper in the office. Because none of these numbers, they
18 just compile what we send to them.

19 MS. ALEXANDER: And ADP is the one with the negative
20 balance, ADP, the payroll company.

21 MS. LEWIS: But we would check that out with our own
22 numbers, I imagine, to see what numbers are screwed up.

23 MS. ALEXANDER: Yes.

24 MS. LEWIS: The other thing, we have rent for a
25 non-State all building in May, \$12,699. Every other month it's

1 been \$6,000. Why would we have double the amount in one month?

2 MS. ALEXANDER: I do know that at one point we were --
3 when Leila came, I believe for some reason the rent didn't get
4 paid in time, so one month showed up -- we had two months' rent
5 paid in one month.

6 MS. LEWIS: So we did not pay rent for some months, a
7 month?

8 MS. ALEXANDER: A month. Probably the month of
9 February, it was not paid until March. All of our bills were
10 running behind.

11 MS. LEWIS: Way behind, yes.

12 MS. ALEXANDER: So this would explain why we have double
13 month's rent.

14 MS. LEWIS: So this is May, but we did pay it from
15 April, so we must have been behind in April.

16 MR. WALTHERS: Did we get late fees?

17 MS. LEWIS: We probably did. We had so many things that
18 were so fouled up, so we did probably get late fees.

19 MS. ALEXANDER: Back in May things were not as fouled up
20 then by the person at the top in May. In May, if this rent was
21 due in May, then that means we have to be late for February or
22 March; right?

23 MS. LEWIS: I don't know when it's late.

24 MS. ALEXANDER: The month you're talking about --

25 MS. LEWIS: The month I'm talking about is May.

1 MS. ALEXANDER: Which would make it May and March or
2 February and March, so you have two different people you're
3 dealing with at the time is what I'm trying to say.

4 MS. SCHULTZ: I would like to make a motion that --

5 MS. LEWIS: That we file it for audit?

6 MS. SCHULTZ: Yeah, give me a minute. I would like to
7 make a motion that we file it for audit.

8 MS. LEWIS: And that we get answers to those questions.

9 MS. SCHULTZ: Get answers to those questions, right.

10 MR. WALTHERS: I'll second that.

11 MS. LEWIS: Moved by Miss Schultz, seconded by
12 Mr. Walthers, that we file the treasurer's report for audit and
13 get answers to the question that the chairman raised regarding the
14 reports. Any question on the motion? All in favor say aye.

15 (Unanimous ayes.)

16 MS. LEWIS: Opposed?

17 And let the record show Miss Lamb has entered the
18 meeting.

19 MS. LAMB: Sorry.

20 MS. LEWIS: The next thing on the agenda is
21 consideration of possible approval of the budget. However, --

22 MS. COOPER: That's a huge error.

23 MS. LEWIS: Among the many.

24 MS. COOPER: The salaries and wages should be
25 500,038.02.

1 MS. LEWIS: In most instances in the budget. It does
2 not match up with the financial statements through the end of
3 June.

4 MS. COOPER: Okay.

5 MS. LEWIS: So I don't know if we need to go back and
6 look at that, but it doesn't. I compared the financial statements
7 through the end of June that we had with the actual that was shown
8 in the proposed budget, and, you know, I don't want to go through
9 them, but there were a number of differences in terms of the
10 amounts. Some of them were small and some of them were large, so
11 I don't quite know what happened there.

12 In addition, it appeared that some of -- of our
13 proposals based on our expenditures for last year were low for
14 proposed budget amounts and in other cases it appeared that our
15 proposals were high, you know, based on what we spent last year.
16 So that maybe what can happen is I can come in and go through
17 these with you, and maybe we can work up something and send it out
18 to everybody for review so that we can finally approve a budget at
19 the next meeting.

20 MS. COOPER: Yes.

21 MS. LEWIS: Because this one has a lot of areas that
22 are -- I did my homework.

23 MS. SCHULTZ: Who did the budget?

24 MS. COOPER: What I did is go back from the last board
25 meeting and changed what you wanted changed, and I changed what

1 needed to be changed. Then I went through and realized that the
2 current salaries as they were were not even close to what was
3 projected in the budget, so I went ahead and made that change.
4 Wrong, of course, but I made the change and put it in.

5 MS. LEWIS: That was an obvious error.

6 MS. ZESIGER: We knew that was typing.

7 MS. COOPER: But everything else was just from what was
8 already existing. There was a -- I found a working budget and
9 that's what I went with.

10 MS. ZESIGER: It's only 4,500,000 off.

11 MS. COOPER: Is that all?

12 MS. LEWIS: Anyway, I propose we table this and review
13 it at the next board meeting.

14 MS. SCHULTZ: I'll so move. I'll make a motion to table
15 it.

16 MS. LEWIS: Can I get a second to that?

17 MS. ZESIGER: I second that we table the budget and
18 review it again in the February meeting.

19 MS. LEWIS: It's moved by Ms. Schultz, seconded by
20 Miss Zesiger that we table the budget, review it again in the
21 February meeting. All in favor?

22 (Unanimous ayes.)

23 MS. LEWIS: Opposed?

24 Okay.

25 MS. ZESIGER: Excuse me. Would it be possible for us to

1 get this before the meeting? I mean like so we have a longer time
2 to go through it?

3 MS. LEWIS: I'll go in right after Christmas so it's
4 available and we can get it squared away.

5 MS. SCHULTZ: Don't we have a bookkeeper in the office?

6 MS. COOPER: Yes, we do.

7 MS. SCHULTZ: Is she working with you?

8 MS. COOPER: Yes, she can. Yes, she can.

9 MS. SCHULTZ: Okay.

10 MS. LEWIS: Okay. We are a little early, so is Mr. Shaw
11 here?

12 MR. SHAW: Yes.

13 MS. LEWIS: Mr. Shaw, you have petitioned to open an
14 esthetics program at your Henderson/Las Vegas institute; right?

15 MR. SHAW: Correct.

16 MS. LEWIS: And you only want esthetics there?

17 MR. SHAW: That's correct. And I'm trying to figure out
18 what plan we should follow in order to get approved. It's my
19 understanding from speaking to the former owners of Euphoria,
20 there had been an individual they thought 12 to 18 months ago who
21 did receive approval I believe by this organization to open up an
22 esthetics only school. She never I guess accomplished that task,
23 but he was under the impression there might have been some
24 guidelines established for anyone who is interested in opening up
25 an esthetics only school.

1 MS. SCHULTZ: Is it a branch of Euphoria?

2 MR. SHAW: We are trying to figure all that out, to be
3 honest. We have a school today in Henderson that has massage as
4 well as some allied health programs and IT programs, and what we
5 are interested in building is hopefully a world-class spa
6 management program, so we want to combine the massage with the
7 esthetics program to come up with a spa management program.

8 So we are not looking at this point at the other
9 cosmetology programs for this particular school. So it will be a
10 school, it will be a Euphoria institute within our existing
11 school. They will share a location. So there will be our school
12 and a Euphoria school.

13 MS. SCHULTZ: How far is the other branch?

14 MR. SHAW: I think it's less than five miles from our
15 Green Valley campus, our Euphoria school.

16 MR. WALTHERS: So it's in a completely different
17 building?

18 MR. SHAW: Correct.

19 MR. WALTHERS: And there will be nothing else in that?

20 MS. LEWIS: I think we need information on that. I
21 don't remember doing it.

22 MS. SCHULTZ: We allowed Sandy to open, but that was
23 right in the same complex. Five miles away. How large is it?

24 MR. SHAW: Is the facility?

25 MS. SCHULTZ: Uh-huh.

1 MR. SHAW: The facility is 25,000 square feet, but we
2 haven't finalized how much space we'll designate to the esthetics
3 side, but significantly less than that.

4 MR. WALTHERS: Do we still have the 5,000 square feet?

5 MS. ALEXANDER: I was thinking we had a case similar to
6 this once before and we came to the conclusion that they still
7 would have to have the 5,000 square feet.

8 MR. WALTHERS: That's where I was going.

9 MS. ALEXANDER: So for that reason they chose not to do
10 it, because we still have to have all the requirements that you
11 would for a school.

12 MR. SHAW: The square footage I guess isn't the concern
13 as much as there are other requirements as far as number of sinks
14 and other things that are required for an esthetics program. I
15 understand for cosmetology and hair why it's a necessity to have
16 sinks, but on the esthetics side, the requirement for all the
17 sinks isn't as necessary. So that's what we are trying to figure
18 out when you're looking at the regs and trying to figure it out
19 for hair design and cosmetology and esthetics you need this. But
20 there's nothing that says if you only have esthetics.

21 MS. SCHULTZ: I think if you meet the requirements of
22 the school, it requires a dispensary area, which is a sink.

23 MR. SHAW: Isn't there a number of sinks required?

24 MS. SCHULTZ: Only for cosmetology school. We don't
25 have anything for esthetics school.

1 MS. ALEXANDER: I think what we came up with before is
2 we would end up having to follow the requirements for opening a
3 school, so therefore it's almost a waste of money to do
4 esthetician only, because according to our laws you have to
5 follow, you have to go by the requirements to open a school. We
6 wouldn't be able to deviate and just say just esthetics and no,
7 you wouldn't have to have X number of sinks. I think the Board
8 came to the conclusion before that you would have to meet all the
9 requirements of opening a school.

10 MR. WALTHERS: Are you going to have like private rooms?

11 MR. SHAW: Probably. I'm not sure.

12 MR. WALTHERS: Can they go by that by having sinks in
13 each room? Not necessarily shampoo bowls, but like in my spa we
14 have a sink in every room.

15 MS. ZESIGER: Does it say specifically so many shampoo
16 bowls?

17 MS. SCHULTZ: It does. It says ten shampoo bowls.

18 MS. ZESIGER: Couldn't a shampoo bowl be made into a
19 sink? Couldn't you put the faucets on?

20 MR. WALTHERS: We have the ability to deviate from that
21 and still require the sink.

22 MS. ALEXANDER: Exactly.

23 MS. ZESIGER: I think you would have to go by the rules
24 no matter what.

25 MS. SCHULTZ: He's talking about a branch, and I don't

1 see if he's already got that established in his school why he
2 couldn't be a branch esthetics school if he's already met the
3 requirements for the school.

4 MS. ALEXANDER: If it's within the building or across
5 the street or --

6 MS. SCHULTZ: We've done that before.

7 MS. ALEXANDER: -- where it's quite a ways away?

8 MS. SCHULTZ: Didn't Euphoria do that?

9 MS. ALEXANDER: No, they came before the Board. This is
10 the same discussion. They came before the Board, but after
11 looking at everything, the Board came to the conclusion that we
12 couldn't deviate.

13 MS. SCHULTZ: We allowed Sandy to expand her school in
14 the same center. All we are talking about now is his mileage.

15 MS. ALEXANDER: Can we legally deviate from the rules
16 and allow it?

17 MS. SCHULTZ: Well, it's a branch.

18 MR. WALTHERS: Mr. Attorney?

19 MR. SHAW: He's reading quickly.

20 MR. WADHAMS: I don't know that I can give you an answer
21 right now.

22 MR. SHAW: That's okay. I came up in front to get the
23 discussion going and try to understand what could be done.

24 MS. LEWIS: I think we have to research that. We'll ask
25 the attorney to see what the law says in terms of requirements for

1 a school, because we don't have any requirements that I have been
2 able to find through a quick cursory review here for a specific
3 school for, you know -- The only thing we have is a school of
4 electrologists.

5 MS. SCHULTZ: We have 5,000 square feet, 25 bona fide
6 students, adequate instructors. That's the law. The regulation
7 is what tells him what he needs, and the regulation --

8 MR. WALTHERS: But in going through the regulation, it
9 doesn't say anything about a branch.

10 MS. LEWIS: No, it doesn't. Nothing at all.

11 MS. ZESIGER: What happens if later on, what if you add
12 hair?

13 MR. SHAW: Then you comply fully.

14 MS. ZESIGER: Then you're back in front of us -- It
15 would seem to me that you have to abide by everything that is now
16 in the book, and then you have it all.

17 MR. SHAW: I don't disagree we would have it all. We
18 just don't want to put as much of the investment for the part we
19 don't plan on doing. If we plan on going in cosmetology, then
20 absolutely, we would have to bring the school up to the standard
21 required. We are just trying to look for a way to minimize the
22 up-front investment for the part we don't plan to offer.

23 MS. ZESIGER: What if I wanted to open up a nail school
24 and teach only manicure and pedicure? Wouldn't I have to put
25 everything in there?

1 MS. LEWIS: Yes, you would.

2 MS. ZESIGER: So unless you rewrite everything --

3 MS. SCHULTZ: The law doesn't have to be changed, but a
4 regulation has to be put in for allowing for those entities if we
5 are going to do them.

6 MR. SHAW: Aren't you now allowing massage or something
7 going on with massage?

8 MS. SCHULTZ: That's within the school.

9 MS. COOPER: That just passed.

10 MR. SHAW: So the school can offer it, but not
11 supervised by your organization.

12 MS. LEWIS: And the requirements for the school have not
13 changed.

14 MR. SHAW: Right, okay. So I think that --

15 MS. SCHULTZ: I mean, we could always go by the law and
16 write in a regulation to allow for these branches, but -- you
17 know, because all the law states is 5,000 square feet, 25 bona
18 fide students, adequate instructors, and so on. Where it defines
19 what you need is in the regulations.

20 MR. SHAW: That's where it mentions the shampoo bowls,
21 hair dryers.

22 MR. WALTHERS: Dispensary, drying stations.

23 MS. SCHULTZ: So we need a regulation.

24 MR. SHAW: So it would be a school, and we wouldn't be
25 approved to offer cosmetology since we don't have the equipment to

1 support the cosmetology part; is that what you're saying?

2 MS. LEWIS: No.

3 MS. SCHULTZ: No. We are saying there is nothing that
4 allows you to do this at this point.

5 MR. SHAW: Oh, I'm sorry.

6 MS. SCHULTZ: The only thing that allows you to do it is
7 the law, but it doesn't break it out in regulation. So what we
8 need is a regulation to allow specific equipment for esthetics
9 only or manicuring only or any branch.

10 MR. WALTHERS: So as it stand now, the way the regs
11 read, you have to put in shampoo bowls.

12 MS. LEWIS: Facial chairs, manicure tables, shampoo
13 bowls, all of it.

14 MR. SHAW: And who writes the regs?

15 MR. WADHAMS: The regs are written by the Board of
16 Cosmetology.

17 MS. LEWIS: The Board writes the regs, and the Board
18 would have to go through a process to include that regulation, a
19 process that has to start --

20 MS. SCHULTZ: It's going to take about a year.

21 MS. LAMB: I think the idea makes sense to combine
22 massage and esthetics, so why don't we act proactively to make
23 something like that?

24 MR. SHAW: I agree there's more people coming forward.

25 MS. LAMB: We all go together, but this situation exists,

1 so why don't we deal with it?

2 MR. WALTHERS: Okay. You start writing a reg.

3 MS. LEWIS: Call the meeting and do all of that, you
4 know.

5 MR. SHAW: I don't understand why the regs are all that
6 complicated. They are already defined.

7 MS. LEWIS: There's a whole process we have to go
8 through in order to generate regulations, and we are still trying
9 to get the regs approved that we generated last April, so it does
10 take a process and it is a process, and, you know, if --

11 MR. WALTHERS: Jess, can I ask, is there a possibility
12 that since we've not done all of our regulations --

13 MR. WADHAMS: I was going to point that out. There are
14 a couple of different ways Mr. Shaw could go, if so inclined. We
15 still have outstanding regs. I prefer not to try to amend those
16 again.

17 MS. LEWIS: No, we need to get those approved.

18 MR. WADHAMS: Because they have taken forever. But
19 another possibility is Mr. Shaw goes back, puts another petition
20 to appear -- I would need to check some of the regulations, but
21 other Boards and Departments and such things have the ability to
22 say, "I'm going to petition to appear. I would like the Board or
23 Department to look at this particular regulation which I have
24 written." So they go back and write up a regulation and bring it
25 back before the Board to say, "Hey, I would like you guys to look

1 at adopting a regulation that says this," and we can have an open
2 meeting about does it work, does it sit well with what we need to
3 accomplish, and we can adopt it as a temporary regulation.

4 MR. WALTHERS: That was pretty much where I was going
5 with that, if there was that possibility.

6 MR. WADHAMS: It certainly is a possibility.

7 MR. SHAW: Then would there be someone at the State
8 level that I could consult with, just so we make sure that what we
9 are drafting is basically meeting people's threshold so we don't
10 ways people's time?

11 MS. SCHULTZ: That would be Kara.

12 MR. WADHAMS: And there's also a very convenient link on
13 the Attorney General website that says "The Administrative Rule-
14 Making Manual." It's a code book that says how to go through and
15 say, okay, the Nevada Administrative Code, if you want to add a
16 new section you need to do this, and it needs to look like this
17 particular thing here.

18 MR. SHAW: Okay. That's fine. I will accept that
19 burden.

20 MS. SCHULTZ: We like volunteering you.

21 MS. LAMB: What's that?

22 MS. SCHULTZ: We like volunteering you.

23 MS. LAMB: I know, I get volunteered all the time.

24 MR. SHAW: And how far in advance of the next meeting
25 does that need to be prepared by?

1 MR. WALTHERS: 30 days.

2 MR. SHAW: And the next meeting is February?

3 MR. WADHAMS: I can't recall when.

4 MS. COOPER: February.

5 MS. LEWIS: February what?

6 MS. ALEXANDER: Beginning of February.

7 MS. LEWIS: Just a minute, I will tell you. Just let me
8 get my Palm Pilot out.

9 MS. ZESIGER: I was going to say the 6th.

10 MS. LEWIS: Yes, February 6.

11 MR. SHAW: So January 6?

12 MS. SCHULTZ: That needs three approvals, so you're
13 looking at six months to a year. We have to approve it three
14 times. We have to have a committee, and make changes.

15 MR. SHAW: I see.

16 MR. WALTHERS: Are you sure it's February 6?

17 MR. SHAW: Okay.

18 MS. ZESIGER: Aren't we helpful?

19 MR. SHAW: So it will be another cosmetology school.
20 Okay. Thank you very much.

21 MS. LEWIS: Thank you very much.

22 We'll take a ten-minute break.

23 (Recess taken.)

24 MS. LEWIS: Okay. Can we get started again?

25 The next thing on the agenda is review and possible

1 change of the April 17th Board meeting in Reno the Monday after
2 Easter.

3 MS. COOPER: That was brought to my attention by a Board
4 member that maybe we wanted to change that. The Board members
5 would be flying to Reno on Easter Sunday.

6 MS. SCHULTZ: And you have a problem with that?

7 MS. ZESIGER: It doesn't bother me. The Easter Bunny
8 doesn't come to my house anymore. So I don't know if it would
9 bother somebody. I know Lavonne does a lot with her family.

10 MS. LEWIS: I would prefer not to fly.

11 MS. ALEXANDER: Because if you're traveling out of town,
12 that means you have to rush back to Vegas to get here.

13 MS. COOPER: Plus the airlines are going to be crazy.

14 MS. LEWIS: We'll move that to the --

15 MR. WALTHERS: I can't do the 23rd. What I did was went
16 through our schedule, so I scheduled all my other workshops.

17 MS. ALEXANDER: Do you have anything available?

18 MR. WALTHERS: The week before.

19 MS. COOPER: Lavonne had the issue.

20 MR. WALTHERS: I can come back from Florida and go back.

21 MS. LAMB: You could miss one meeting, too, if you want.

22 MS. ZESIGER: You wouldn't do that for us?

23 MR. WALTHERS: I said I would. I'll come back.

24 MS. LEWIS: So we can move to the 24th?

25 MR. WALTHERS: Yeah.

1 MS. ALEXANDER: Thank you. We'll remember you making
2 such a sacrifice.

3 MR. WALTHERS: I'll make you guys pay for my airline
4 ticket.

5 MS. ZESIGER: Special Board meeting.

6 MS. ALEXANDER: So we are moving it to the 24th?

7 MS. LEWIS: Yes. I'm coming from South Carolina the
8 Sunday before.

9 MR. WALTHERS: Maybe we'll be on the same plane.

10 MS. LEWIS: Maybe.

11 Okay. Review of regulation and fee increases. And
12 these regulations have been proposed since last April, so --

13 MS. SCHULTZ: I have some questions.

14 MR. WADHAMS: Longer than that.

15 MS. COOPER: Yeah, this one especially.

16 MS. SCHULTZ: Okay. Now, on Page 5, you're talking
17 about the cosmetologist or manicurist doing a pedicure; is that
18 correct? And then yet they are allowed a model or a mannequin?

19 MS. ZESIGER: Where are we?

20 MS. SCHULTZ: 5, at the top of 5. So now they have to
21 have a model; is that correct?

22 MS. LEWIS: No, they could still do it on a mannequin.

23 MS. COOPER: We are going to make them bring a leg?

24 MS. SCHULTZ: They have to do a leg massage.

25 MS. ZESIGER: We've never done that, have we?

1 MS. SCHULTZ: We haven't, but it's in there.

2 MS. COOPER: We don't do a pedicures.

3 MS. SCHULTZ: And then it also mentions on Page 7, No. 7
4 at the bottom, it says, "A manicurist, cosmetologist, hair
5 designer, electrologist or esthetician must bring to the
6 examination a model/mannequin and all equipment necessary. Entire
7 examination on the model," is right below that.

8 MR. WALTHERS: Well, your NIC examination doesn't test
9 pedicure. It's all covered in the written examination, not
10 practical.

11 MS. LEWIS: But it was in the regulations before and we
12 did not take it out.

13 MS. ALEXANDER: Doesn't this kind of say that, you know,
14 we could ask for this, but we don't have to? It's just there, you
15 don't necessarily have to?

16 MS. LEWIS: No, that's not what it says.

17 MS. SCHULTZ: I think the schools need to know in
18 advance so the students are prepared.

19 MS. ALEXANDER: Don't we require one or the other?

20 MS. LEWIS: That's not what it says.

21 MS. ZESIGER: And we only test on nails.

22 MS. LEWIS: That's not what it says. It says, "An
23 examination for licensure as a manicurist will include, but is not
24 limited to," --

25 MS. ALEXANDER: Okay.

1 MS. LEWIS: -- and then it goes on to say that. So
2 that's what it says. Now, the fact that we may not do it, I don't
3 know about that, I'm just saying what it says. It says it "will
4 include." And I don't think we changed -- we just went with the
5 people that were there, and there were schools with the input, and
6 that's what was included.

7 MS. ZESIGER: If you take it out, then how important is
8 it for the students to have to learn it or the school to teach it?

9 MS. LEWIS: I don't think you take it out. Don't you
10 want the school to do a pedicure?

11 MS. ZESIGER: Yes, I do.

12 MS. SCHULTZ: Well, you can't do a leg and foot massage
13 on a mannequin.

14 MR. WALTHERS: NIC has no examination on pedicure.

15 MS. ZESIGER: It's covered in written, not practical,
16 so I don't see the conflict, but maybe I'm missing something.

17 MR. WALTHERS: The conflict is it says you "will."

18 MS. ALEXANDER: Maybe we could take out the you "will."

19 MS. COOPER: And put you "may be."

20 MS. SCHULTZ: We can change it to "may" or take out
21 No. 5. Can we eliminate 5?

22 MS. LEWIS: Could we change it to "may," because at some
23 point you may want to do it. So you could change it to say "may
24 include, but is not limited to." Is that appropriate, Jesse?

25 MR. WADHAMS: Considering we still have yet to approve

1 these, we could do that.

2 MS. SCHULTZ: I have a couple of more, Jesse.

3 MR. WADHAMS: Let's throw them all in there.

4 MS. COOPER: Is this No. 5?

5 MS. ALEXANDER: Let's consider changing it to you "may."

6 MS. LEWIS: To say "may include" instead of "will
7 include." However, most of these things on here will be included.

8 MS. SCHULTZ: Right. And if they decide to do a
9 pedicure, just notify the schools that they need a model.

10 MS. ZESIGER: If the test is ever rewritten.

11 MR. WALTHERS: As it stands now, there are four test
12 administration companies out there. Not one is testing on
13 pedicure. What they have done is most put it in the written part
14 and they are starting to put the pedi-spa questions in the written
15 part, but as far as practical with the four administration
16 companies out there, nobody is testing on pedicure themselves.

17 MS. SCHULTZ: Is that with cosmos and manicurist?

18 MR. WALTHERS: Both.

19 MS. LEWIS: So we'll change it to "may include, but is
20 not limited to."

21 MS. SCHULTZ: The next one I have is on Page 11. It's
22 under No. 5 or No. 6, and it's C-1, 40 marcelling irons. 40? If
23 we are doing marcelling, we probably have 20 students at the most
24 working with marcel irons. Why would I need to hold on to marcel
25 irons at the school? They are in a Tupperware bin. Now, that's

1 ridiculous.

2 MR. WALTHERS: Can I answer that question, too? As far
3 as the test goes, the new examination which goes up January 1
4 which is done by a job delineation study, the new examination for
5 NIC, you can use both. You can use a spring load or marcel. It's
6 up to each individual.

7 MS. SCHULTZ: They are talking about oven irons. That
8 is an oven iron.

9 MR. WALTHERS: It should be gone.

10 MS. SCHULTZ: Especially 40. I have 15, 20 of them.

11 MS. LEWIS: That's what they use on my hair, and every
12 ethnic person in this country, that's what they use.

13 MS. SCHULTZ: We don't have 40 clients at one time
14 working with marcel irons.

15 MS. ALEXANDER: The 15 was sufficient, but I don't think
16 we should do away with it. I think we could limit it to the 15.

17 MS. SCHULTZ: That's fine with me, leave it at 15,
18 because 40 is just --

19 MS. ALEXANDER: I think that was an error there.

20 MS. LEWIS: I know you need them, so go back to 15. You
21 can't do anything with a regular. It doesn't get hot enough.

22 MS. SCHULTZ: Okay. Next question, Page 12, it's under
23 No. 5, under 644.095, No. 5-B. Why would they need a copy of
24 their Social Security card?

25 MS. LEWIS: Because it's required by the law. The law

1 requires Social Security numbers, and so we put that in to comply
2 with the law until that is changed.

3 MS. SCHULTZ: Okay.

4 MS. ALEXANDER: We had a group of students once that was
5 coming from China that wanted to come in and study and did not
6 have Social Security cards, and they were not able to study here.

7 MS. LEWIS: But the law was changed four years ago to
8 require Social Security numbers. That's the reason we had a copy
9 of the Social Security card. That's a requirement.

10 MS. SCHULTZ: That answers my question.

11 Page 13, No. 9, "A student instructor must." We don't
12 have any required hours for the student instructor. Does it still
13 go back to the old? I mean, they do double the hours? I mean, it
14 looks like they come out of school, turn around and go back in as
15 an instructor training.

16 MS. LEWIS: I think there were some hours required for
17 an instructor.

18 MS. SCHULTZ: We have provisional, so it would be double
19 the provisional; is that correct?

20 MS. LEWIS: Right.

21 MS. SCHULTZ: But they come right out of school, as long
22 as they have a license, --

23 MS. ALEXANDER: They come out of school --

24 MS. SCHULTZ: -- they go back in, they receive continuous
25 instruction in teaching methods and techniques not to be used as a

1 student operator, I agree with that, but I don't think it's clear
2 on, you know, other requirements of the student instructor, direct
3 supervision.

4 You know, it says, "No instructor in a licensed school
5 of cosmetology may during the hours in which he or she is on duty
6 as an instructor devote his time to the public or the private
7 practice of cosmetology. Each instructor shall devote full time,"
8 but it doesn't say anything about being under direct supervision.
9 And provisionals don't have to be under direct supervision.

10 MS. LEWIS: How do you want to change that?

11 MS. SCHULTZ: I want to add a D to that, saying --
12 saying "be under the direct supervision of a licensed instructor."

13 MS. LEWIS: Doesn't it say that? It says that in A.

14 MS. ALEXANDER: "Under the direct supervision of an
15 instructor licensed by the Court to" --

16 MS. SCHULTZ: Okay. We are good.

17 MR. WALTHERS: What about hours?

18 MS. COOPER: It says a term of one year.

19 MS. SCHULTZ: One year?

20 MS. COOPER: Yeah, "Full-time employment as a student
21 instructor for one year, whichever occurs later."

22 MS. LEWIS: Where does it say that?

23 MS. COOPER: Pardon?

24 MS. LEWIS: Where does it say that?

25 MS. COOPER: Senate Bill 333. "A licensee as a student

1 instructor expires upon accumulation by the license of the number
2 of hours of training required for an instructor's hours or after
3 full-time employment as a student instructor for one year,
4 whichever occurs later."

5 MS. LEWIS: It's in the law, we just didn't incorporate
6 it in the regs.

7 MR. WALTHERS: How many hours?

8 MS. LEWIS: It doesn't say hours. It says "employed as
9 a full-time instructor."

10 MS. ESCOVER: May I ask a question? "Employed" implies
11 the fact that you may pay a student instructor, and it's my
12 knowledge after 16 years of teaching or owning a school that your
13 student instructors come to school for 1,000 hours, they are not
14 paid, they cannot be paid, unless you guys have changed the law
15 and we haven't been made aware of it.

16 MS. SCHULTZ: They weren't paid before. Provisionals
17 were.

18 MS. ESCOVER: Provisionals you could pay. But the
19 "employment" piece offers pay as far as I'm concerned, and if it's
20 going to be that, then they would have to be employed and paid for
21 one year as opposed to 1,000 hours of instructional training.

22 MR. WADHAMS: I think that's correct. I think, if I
23 recall the workshop we did, the Senate bill, I can't recall the
24 number offhand, but the Senate bill amended and created a new
25 category of student instructor.

1 MS. LEWIS: They did?

2 MR. WADHAMS: And that student instructor could be paid.

3 MS. ESCOVER: Is this -- When this gets straightened
4 out, is there a letter sent to the schools so we know what we are
5 doing with our student instructors at this point?

6 MS. COOPER: Yes.

7 MS. LEWIS: As soon as we can get these regulations
8 approved, we are going to definitely do that. And we've been
9 trying -- Well, they were written initially prior to the passage
10 of the laws. They were written to comply with the previous laws.

11 MR. WADHAMS: With the 2003 Legislature.

12 MS. LEWIS: Then we got the 2005 Legislature, which is
13 really going to require us to adopt these and then have another
14 meeting to adopt some additional regulations in order to comply
15 with all of the provisions of the 2005. But when we were meeting
16 on these starting last year -- really, you know, in 2004 -- they
17 were to get the regulations up to date to comply with the 2003
18 laws.

19 MR. WALTHERS: And we'll get them up to date in time for
20 the next Legislature.

21 MS. SCHULTZ: On Page 14, we have the curriculum for a
22 student instructor. Again, no hours. So in the curriculum we
23 could add the hours, just an addition, and that would be depending
24 on the branch, of course, the hours. So you could put as a
25 cosmetologist -- Unless you want to do it by policy. Can we do

1 that, Jesse?

2 MR. WADHAMS: By policy say how many hours are required?

3 MS. SCHULTZ: How many hours are required, like
4 estheticians do less hours than cosmetologists.

5 MR. WADHAMS: You probably could do that and it would
6 probably make sense, because you have the provisional and it would
7 fit into sort of the rubric of where you have a license, but I
8 believe -- and I want to go back and check this, but I believe the
9 bill modified and created a special thing called a student
10 instructor that we need to look at and review, because that
11 clearly delineated how many hours were necessary. So I'll take
12 that and look at that, make sure that we --

13 MR. WALTHERS: Plus --

14 MS. LEWIS: We could amend the -- We need to adopt
15 these, and we could amend based on some of the other ones.

16 MS. SCHULTZ: Based on some of the ones we are talking
17 about.

18 MR. WALTHERS: I don't think an esthetician or
19 manicuring person should do less hours. Regardless, I think they
20 need to have their thousand hours in to become an instructor, not
21 just because those courses offer smaller amount of hours. I think
22 your instructor still should have the same amount because an
23 instructor is an instructor.

24 MS. SCHULTZ: Under provisional, they are broken out
25 differently.

1 MR. WALTHERS: Are they?

2 MS. SCHULTZ: Uh-huh.

3 MR. WALTHERS: They shouldn't be.

4 MS. SCHULTZ: It used to be a thousand hours for a
5 student teacher in cosmetology and 500 hours in provisional. That
6 meant because they had work experience, they didn't need the extra
7 hours as a student instructor. Coming in they haven't had the
8 experience, so they need more hours.

9 MS. LEWIS: And it says that in NRS 604.195 --

10 MS. SCHULTZ: That's for provisional.

11 MS. LEWIS: No, it's just talking about an instructor,
12 not -- 500 for a provisional, 1,000 as a -- training as an
13 instructor.

14 MS. SCHULTZ: So 195 is what we would go by.

15 MS. LEWIS: 644.195, but it was amended, see. 644.195
16 was amended in the 2005 Legislature.

17 MS. SCHULTZ: Well, --

18 MS. LEWIS: Now, I'm trying to figure out where was the
19 change?

20 MS. SCHULTZ: I think what we can do probably is like
21 Jesse recommended and, you know, just work on these particular --

22 MS. LEWIS: Adopt these --

23 MS. SCHULTZ: We can adopt them with modifications to
24 those.

25 MR. WADHAMS: We might put it this way, because it's

1 been hanging out for so long, but I think what we need to do is
2 take a look at what was passed in '05, ensure and take the time
3 and pass it right the first time. It doesn't make sense to try to
4 pass this and come back and and amend it again. I know it's going
5 to take more time and these folks are hanging out here waiting for
6 clarity.

7 MS. LEWIS: The Board and staff are waiting because we
8 don't know what the rules are, and we've been going along for
9 months on these.

10 MR. WALTHERS: It also doesn't say how long the hours
11 are good for.

12 MR. WADHAMS: A lot of these have been passed as
13 temporary regulations, so they are still valid through this year
14 we are trying to get them permanently adopted. There are two
15 separate issues. We pass them as temporary regs, and now we can
16 do them I think for permanent regulations, we should do it right.
17 Make sure they are correct.

18 MS. LEWIS: So in order to do it right, what we have to
19 do is have another --

20 MS. COOPER: Workshop.

21 MS. LEWIS: We have to go through all the revisions to
22 the law.

23 MR. WADHAMS: We did a lot of that.

24 MS. LEWIS: And you have to develop another document to
25 go to the Legislative Council Bureau.

1 MR. WADHAMS: And we've done a lot of that.

2 MS. LEWIS: We don't have it here.

3 MR. WADHAMS: That's what this is.

4 MS. LEWIS: No, this was done or should have been done
5 prior -- This is done effective in April. This was done prior to
6 the passage of these revisions to the law.

7 MS. COOPER: Right.

8 MR. WADHAMS: That's correct.

9 MS. LEWIS: This is the workshop conducted back in
10 February or March of this year. So we need to -- So what we are
11 saying is we have to then go through this passage and --

12 MR. WADHAMS: We attempted to capture a lot of that in
13 the workshop we had just in September.

14 MS. LEWIS: September, right.

15 MR. WADHAMS: We attempted to capture a lot of the
16 changes in the 2005 legislative --

17 MS. LEWIS: Then what's missing?

18 MR. WADHAMS: I think the student instructor issue.

19 MS. SCHULTZ: Can't we adopt and leave that as something
20 to work on, just that one particular area? That's the only issue
21 I have right now.

22 MR. WADHAMS: Is just take these, pass them as they
23 are --

24 MS. LEWIS: Yes.

25 MS. SCHULTZ: And do an amendment.

1 MS. COOPER: Then why correct them?

2 MS. ZESIGER: It takes more time if we pass it, then go
3 back and work.

4 MS. SCHULTZ: We can put the hours under policy until we
5 get a new reg.

6 MR. WADHAMS: If you would like to go that route, that's
7 fine.

8 MS. LEWIS: I would. I think we need the regulations.

9 MR. WADHAMS: We are going to try to pass these as of
10 the February meeting. Then we can't make changes. We've had the
11 workshops, we've done our components, the issue would be we can't
12 go back and say, "Okay, let's have 15 marcelling irons." We can't
13 change that now.

14 MS. SCHULTZ: We can't approve it with deletions or
15 additions?

16 MR. WADHAMS: You mean --

17 MS. ZESIGER: Then you're rewriting them all, so why not
18 do it right the first time?

19 MS. SCHULTZ: We only have two, the pedicure and the
20 student instructor hours.

21 MS. ZESIGER: And Lisa has one.

22 MS. ALEXANDER: So we need to do them right the first
23 time around.

24 MS. LEWIS: We are talking about not approving before
25 April.

1 MR. WADHAMS: In theory, we have to have another
2 workshop.

3 MS. SCHULTZ: I want to get rid of the marcel's.

4 MS. LEWIS: You have that. You got that.

5 MR. WADHAMS: We need to have another workshop probably
6 February, and we would pass them as early as, say, April.

7 MR. WALTHERS: Can we have a regular Board meeting and a
8 workshop meeting?

9 MR. WADHAMS: Yeah, you could follow on like the
10 February 6 one. We could say --

11 MS. SCHULTZ: We could do the workshop first of February
12 and then do the approval a week after.

13 MS. LEWIS: The meeting is February 6.

14 MS. SCHULTZ: It has to be posted 30 days.

15 MR. WADHAMS: We are close to having these passed. All
16 we need to do is -- to get them passed now is have the small
17 business impact statement done, and that can be done in a couple
18 of different ways, and we can talk about that later. So -- But if
19 there are changes to this document that we want to discuss, then
20 the rules are pretty clear we would have to open up a workshop.
21 And we could follow either on the heels of an already scheduled
22 meeting or before a meeting. It just needs to be 30 days out.

23 MS. LEWIS: Okay. All right. So what are the other
24 two?

25 MS. COOPER: I discussed that with you, Lavonne, on

1 Page 2. We need to be more specific about the more than one
2 branch of cosmetology is practiced the established must at all
3 times be under the immediate supervision of a licensed
4 cosmetologist or a person licensed in each branch in the
5 establishment. So if you're an esthetician, you should be able to
6 be in a full service salon as long as there's no hair going on.

7 MS. LEWIS: So "at the time of services" is what we
8 need to add?

9 MS. SCHULTZ: So in other words, if you go in to inspect
10 and it's just an esthetician in the salon and it's full service,
11 she's the only one that has to be present.

12 MS. COOPER: Correct.

13 MS. SCHULTZ: Perfect.

14 MS. LEWIS: I think that's the intent.

15 MS. ALEXANDER: It was.

16 MS. COOPER: That was the intent, but it got lost.

17 MS. LEWIS: We talked about that substantially, but I
18 think that was the intent when we were working on these.

19 MS. COOPER: That's correct.

20 MS. LEWIS: Any other changes?

21 MS. ZESIGER: Do you have another one?

22 MS. SCHULTZ: I think I'm good.

23 MS. LEWIS: Can we schedule a workshop for --

24 MR. WADHAMS: We can do it --

25 MS. LEWIS: -- the end of January so we would have

1 these --

2 MR. WADHAMS: We could do it 30 days from tomorrow,
3 basically.

4 MS. COOPER: Larry?

5 MR. WALTHERS: I scheduled all my other workshops.

6 MS. SCHULTZ: You're too busy.

7 MS. ZESIGER: You could give us the input.

8 MS. COOPER: We can video conference you.

9 MR. WALTHERS: The last time that happened, I didn't get
10 video conferenced.

11 MR. WADHAMS: We are going to try to pass these
12 effective February 6 or whatever that meeting is. Why not just
13 follow on that meeting with a workshop and say, "You know what, we
14 are not going to be able to pass them because we have a couple of
15 quick amendments," so the workshop shouldn't take very long.

16 MR. WALTHERS: And it could be noticed in plenty of
17 time.

18 MR. WADHAMS: And the small business impact statement
19 can be done within that time. We just need to grab a few of the
20 schools, a few cosmetologists, and gather them in a room or by
21 letter and say, "Here are the new fees. Will they impact you?"

22 MS. LEWIS: And of course it will, but then you say,
23 "Okay."

24 MR. WADHAMS: So I think we can still accomplish --

25 MS. LEWIS: So we will try to schedule a workshop for

1 the afternoon of February 6.

2 MR. WADHAMS: I would say that's the best way to do it.

3 MS. LEWIS: So we schedule the workshop for 3 o'clock?

4 MS. ZESIGER: Is there a reason we can't do it on
5 Sunday? Like you all come in on Sunday anyway. Because I know
6 that after the meeting, we have a lot of hearing things that are
7 going to come up at that meeting, so it's going to be a long
8 meeting in Vegas.

9 MS. COOPER: I already have like five or six meetings.

10 MS. ALEXANDER: The day before would be better.

11 MS. LEWIS: So we can schedule it for Sunday afternoon
12 at 2 o'clock.

13 MS. ZESIGER: Okay.

14 MS. COOPER: Okay. Las Vegas.

15 MS. SCHULTZ: That will work.

16 MR. WADHAMS: All that needs to go out is the couple of
17 quick changes that needs to go out by the 5th of January, just so
18 we are aware --

19 MR. WALTHERS: Lisa?

20 MS. COOPER: Yes, notice by the 5th of January.

21 Was that all of your -- Bonnie?

22 MS. LEWIS: Now, can we be sure to get those
23 incorporated into -- so we will be able to discuss them?

24 MS. COOPER: Yes, yes, yes.

25 MS. LEWIS: Now, can we adopt a temporary regulation on

1 the fees?

2 MS. COOPER: Yeah, we were going to discuss fees.

3 MR. WADHAMS: I think that's appropriate to do to make
4 sure we have that done. There's two different things. Temporary
5 and permanent. Temporary expires at the end of the year, which is
6 coming fast. So we can do that and pass another temporary
7 regulation --

8 MS. COOPER: In February.

9 MR. WALTHERS: -- at the February meeting.

10 MR. WADHAMS: But we will also be passing permanent regs
11 on that right on the heels in April, but we could do that.

12 MS. LEWIS: We have testing fees.

13 MS. COOPER: We need to discuss testing fees. The
14 national test for the national exam, there was discussion in the
15 September 19th meeting as to what it was going to be. It was
16 never clear as to --

17 MS. LEWIS: And also the licenses.

18 MS. COOPER: I have a list here. All of you should have
19 this. Okay. The national test fees, do you -- I remember hearing
20 110 -- 110 for the test.

21 MR. WADHAMS: We passed that in the September 19th
22 meeting company.

23 MS. COOPER: The retake fee's 110, also?

24 MS. LEWIS: Yes.

25 MR. WALTHERS: You shouldn't delineate. It should be

1 the same.

2 MS. COOPER: The written and practical fees for the
3 students, it's 90 now.

4 MS. LEWIS: It was going to be the same, 110.

5 MS. COOPER: Your PIL, you cut -- the discussion went
6 back and forth, because the student instructor fee is 40 and the
7 instructor fee is 70. There was discussion on it. It went back
8 and forth.

9 MR. WALTHERS: It should be the same thing.

10 MS. COOPER: 40 or 70?

11 MR. WALTHERS: 70, not this 40 stuff.

12 MS. COOPER: Okay. Instructor renewal license fee 70.

13 MS. SCHULTZ: Oh, come on.

14 MS. COOPER: And then that's all I had for the actual
15 fees.

16 MS. SCHULTZ: What are you charging the provisionals?

17 MR. WALTHERS: 70, but I have a question on here. And
18 just going over this earlier this morning, you have establishment
19 new, 200. Establishment renewal, 200. But you have no provision
20 in there for late fees. Where you're a school, you have renewal,
21 school late fee.

22 MS. COOPER: They were at 25 -- Or no, they were 20.
23 The late fee is up above. Late fee is 20 per month.

24 MR. WALTHERS: That's for renewal license fee for
25 instructor.

1 MS. COOPER: It was the same across the board. Right
2 now it's 10, and it's \$10 for establishment, as well.

3 MS. ZESIGER: So we are moving it to 25?

4 MS. COOPER: To 20. It's here.

5 MS. ZESIGER: Thank you.

6 MS. SCHULTZ: What did you put for the -- You haven't
7 gotten to student enrollment yet.

8 MS. COOPER: Student enrollment fee, \$10.

9 MS. SCHULTZ: That's up from 5?

10 MS. COOPER: It's up from 5.

11 MS. SCHULTZ: So it was 5, it's now 10. Is this
12 happening as of January?

13 MR. WADHAMS: No, this happened as of the September 19th
14 meeting.

15 MS. SCHULTZ: I haven't been doing that on the
16 registrations.

17 MS. COOPER: I know we haven't been doing this in the
18 office.

19 MR. WADHAMS: It was all set in September, because that
20 was after --

21 MS. COOPER: So this point going forward --

22 MS. ESCOVER: Can I assume -- Again, I'm trying to keep
23 up with you guys. Can I assume that all of this stuff that you're
24 talking about that happened clear back in September, that none of
25 us were informed about? We weren't, were we?

1 MS. SCHULTZ: No.

2 MS. LEWIS: And that was --

3 MS. SCHULTZ: That was in the past.

4 MS. LEWIS: That was in the past, and we won't go
5 retroactive to collect that.

6 MS. ESCOVER: Do you want as of my next enrollment that
7 that fee is \$10 per student to be enrolled?

8 MR. WALTHERS: Don't you think each school needs to be
9 notified?

10 MS. COOPER: Don't they need 30 days?

11 MS. SCHULTZ: No.

12 MS. COOPER: So just the next enrollment is \$10 per
13 student.

14 MS. SCHULTZ: You need to set a date. As of
15 January 10th, the fees are --

16 MS. LEWIS: And it was all supposed to happen. We
17 apologize.

18 MR. WADHAMS: We clarified that on that September 19
19 meeting.

20 MS. LEWIS: That was one of the many things that didn't
21 get done.

22 MS. COOPER: But we weren't notified, Jesse.

23 MR. WALTHERS: There were several transformations going
24 on.

25 MS. ZESIGER: In the past. This is current.

1 MS. LEWIS: We are down to violation of NRS 604.190 and
2 there's nothing there, and that was for conducting and operating a
3 cosmetological -- I believe it's in the regs.

4 MS. COOPER: It is. The fee went up to 1,000. It was
5 500. This is not the fee schedule we have been using, I can tell
6 you that, but we will be from this point forward. It's 1,000.

7 MS. LEWIS: It's all down there and identified, and we
8 did pass that.

9 MS. COOPER: The other thing is that in for third
10 offense, they come before the Board.

11 MS. LEWIS: Right.

12 MS. COOPER: So did they come before the Board and get
13 fined \$2,000?

14 MS. LEWIS: Right.

15 MS. COOPER: Temporary educational permits repealed, so
16 effective as soon as we vote on this, we no longer will be
17 charging that fee.

18 Unlawful to practice other professions in a
19 cosmetological establishment, that will be repealed; certification
20 request \$10, law book \$5, we didn't change that.

21 MS. ALEXANDER: It didn't change.

22 MS. SCHULTZ: Has the printing cost gone up on those, on
23 the law books?

24 MS. COOPER: On the law books, I'm sure they have.

25 MS. SCHULTZ: So you probably want to change that.

1 MS. COOPER: So should we change it to \$10?

2 MS. LEWIS: Don't start adding 50 cents. That gets to
3 be too difficult to account for.

4 MS. SCHULTZ: We never charge more than the printing
5 cost, so as soon as we find out, we can add that.

6 MS. LEWIS: It's got to be an administrative cost in
7 there, too.

8 MS. SCHULTZ: To hand them a law book?

9 I would like to make a motion that we approve these fee
10 increases for 2005/2007.

11 MS. LEWIS: I think these were already approved.

12 MS. SCHULTZ: We added to it.

13 MS. ZESIGER: Make a motion to implement them.

14 MS. SCHULTZ: To accept the additions and implement
15 them.

16 MR. WADHAMS: It's only one change, that's with the law
17 book, because the others were passed.

18 MS. LEWIS: Okay. So note that we will implement these
19 proposed -- these fees effective immediately, and we will notify
20 all of the schools and applicable parties, you know, of the
21 changes. Okay?

22 MS. COOPER: Okay. The clarification of the school bond
23 issue, did we want to go over that?

24 MS. LEWIS: Yes, I think we do need to go over that.

25 MS. SCHULTZ: My question on that would be that since

1 there is a regulation, the school bond being increased to that
2 amount of money, at some point in time Sandy or myself or whoever
3 might want to sell the school, and I think if the school is
4 already established, the bond should remain.

5 MS. LEWIS: I don't think that is what the law provides.

6 MS. SCHULTZ: I'm sure that wasn't what the intent was.

7 MS. LEWIS: Because when you -- if you relocate --

8 MS. SCHULTZ: I understand that part of it.

9 MS. LEWIS: Okay.

10 MS. SCHULTZ: But if the school is already established
11 and in the sale of a school, I mean you're talking about a million
12 dollars or so here.

13 MS. LEWIS: I think the -- we need to ask Jesse, but I
14 think the bond is established for the protection of the students
15 and the public.

16 MS. SCHULTZ: But if the school --

17 MS. LEWIS: If the school is sold, then I think the new
18 owners must meet the new bond requirements, whereas the old owners
19 are grandfathered in under the old bond requirement. The new
20 owners must come up with a bond that is sufficient according to
21 the law to protect the students.

22 MR. WADHAMS: Do you have a copy --

23 MS. SCHULTZ: The problem is when they are buying the
24 school, they are buying students that have already paid, they are
25 buying, you know, all of this stuff that's already -- They don't

1 have the income coming in right off the get-go.

2 MS. LEWIS: But they will have going forward.

3 MS. SCHULTZ: Going forward.

4 MS. LEWIS: And they will be enrolling new students.

5 MS. SCHULTZ: Going forward.

6 MS. LEWIS: So the object is protect the new students
7 being enrolled.

8 MS. ESCOVER: I have to inject that those of us that are
9 accredited, that are required by NAPAS and the Department of
10 Education to have audits every year to determine if we do or do
11 not need additional funds, such as letters of credit to sustain
12 the students in case anything happens, so then you're putting an
13 undue burden on the schools for this, also. Because I already pay
14 8- to \$10,000 a year for an audit every single year. On top of
15 that, I -- all of that information is then sent to the Department
16 of Education. When the Department of Education sees that and if
17 it's in good standing, then you're not required to have a standby,
18 which is called a standby letter of credit for X amount of dollars
19 as they choose. As you move forward and progress really well,
20 then, they drop the letters of credit. If you don't progress,
21 then they just leave you -- you with that and it protects all of
22 your students.

23 So with your bond here, you have a 10,000-dollar one.
24 I think that's the one I pay is a 10,000-dollar bond, so you guys
25 are pretty well covered

1 MS. SCHULTZ: We are talking about new ownership.

2 MS. LEWIS: We are not talking about old ownership.

3 MS. ESCOVER: What if like Bonnie says, if one of us
4 wants to buy another school in addition?

5 MS. SCHULTZ: As long as it's the same owner and name,
6 you're okay.

7 MS. ESCOVER: You're making it going --

8 MS. LEWIS: What the law says --

9 MS. SCHULTZ: It's because Lori and I were talking, and
10 she said, "Now, what if I want to sell my school?" Well, if she
11 wants to sell her school, in order to sell that school for over a
12 million dollars or whatever, then these people also have to come
13 in with the 400,000-dollar bond, too, you know, so she's never
14 going to be able to sell her school.

15 MS. LEWIS: 400,000 is the maximum. What I think it
16 says here is the amount of the bond for a program of a school of
17 cosmetology is equal to the cost of the program multiplied by the
18 number of students. So if the cost is 3,000 a year and you have
19 20 students, then the bond is 20 times 3,000. That's what this
20 says.

21 MS. ESCOVER: You're going to pretty well limit new
22 schools, et cetera.

23 MS. LEWIS: I think it was written to do that. We
24 didn't write this necessarily, but I think that's what it was
25 designed to do, so the bond -- if you have 20 students and the

1 cost is \$3,000, then the bond would be \$60,000; is that right?

2 MR. WADHAMS: That looks to be what it --

3 MS. COOPER: Yeah.

4 MS. LEWIS: If you have a hundred students and the cost
5 is 3,000, then the bond is 300,000.

6 MR. WADHAMS: And not to exceed.

7 MS. LEWIS: But never exceed 400,000. And we would have
8 to -- the office would have to calculate what the bond would have
9 to be based on the law.

10 MR. WADHAMS: And old owners are grandfathered in.

11 MS. LEWIS: But if you sell the school, then the new
12 owners have to pay according to what the law states here.

13 MR. WADHAMS: The new law, yes.

14 MS. ESCOVER: But if an existing school chooses to buy
15 another school, does that go into that or do you --

16 MS. SCHULTZ: You're going to call it the same thing,
17 Carson City Beauty Academy, and you are the owner, no, you pay the
18 whole bond.

19 MS. ESCOVER: So if you venture out to somebody who
20 wants to close the school --

21 MS. ZESIGER: Jesse is frowning. He's thinking.

22 MR. WADHAMS: I don't know, because I don't know what
23 the Senate intended. I would have to look up what they intended
24 to do.

25 MS. LEWIS: Would that be a new school if they bought an

1 additional school?

2 MR. WADHAMS: The question would turn on how do you
3 license the schools. Is the school ultimately licensed to the
4 individual or is the school licensed as an entity? So, you know,
5 that's a question to you guys. Do you say, "Well, John Smith is
6 the licensee holder of John Smith School of Cosmetology," or is it
7 just the school itself that gets the license, and how does that --

8 Because it seems to me if the individual who already has
9 the grandfathered-in bond opens a new school or opens an addition,
10 then no, they would stay under. But if they are selling the
11 school, they would certainly -- the new owners --

12 MS. ALEXANDER: New ownership, yes.

13 MR. WADHAMS: Unless it's just to the school itself in
14 which case they would be grandfathered in.

15 MS. LEWIS: If the school is relocated, they don't have
16 to pay additional bond.

17 MR. WADHAMS: That seems to me it's to the person, to
18 the individual. Is that correct or not?

19 MS. LEWIS: No, it seems that it's the school.

20 MS. SCHULTZ: The bond --

21 MS. LEWIS: It's the school.

22 MR. WADHAMS: It's to the school under continuous
23 ownership.

24 MS. LEWIS: Yeah, right.

25 MR. WADHAMS: I'd have to look at it closer, but my

1 initial thought would be if you're going to open a new thing, you
2 would probably go under the new law. Your old one would be under
3 the old law, but your new one would have to be under the new one.

4 MS. SCHULTZ: So the old one can relocate, but the new
5 one has to pay the new bond?

6 MR. WADHAMS: I think that would be right, but I want to
7 take a closer look at what the Senate passed.

8 MS. LEWIS: So we would, upon the sale of a school, be
9 required to recalculate the bond based on the provision of the law
10 in that year. So I don't know what additional clarification do we
11 need to address at this time, Lisa, or it was you --

12 MS. SCHULTZ: It was me asking.

13 MR. WADHAMS: I think the basic question is if an
14 existing owner of a school -- and correct me if I'm wrong -- if an
15 existing owner of a school decided to purchase another school,
16 sort of creating a franchise, if you will --

17 MS. ESCOVER: It would be a branch.

18 MR. WALTHERS: It would be a branch.

19 MS. ESCOVER: It would be a branched campus per NAPAS.
20 Larry, you're familiar with NAPAS because you dealt with them
21 forever. What we do, if a person wants to branch out, you can
22 take your school and branch into another school and buy that
23 school under your school, but it's a branched campus. Okay. So
24 everything falls underneath -- If I was to come up here and buy a
25 school, it would fall underneath Carson City Beauty Academy. So I

1 don't know what the person that I might consider buying -- I don't
2 know what their school is worth or what you guys are charging them
3 for the bonds.

4 MR. WADHAMS: But under that scenario you would be
5 purchasing an existing school, so it would be under whatever that
6 person's license is, it seems to me.

7 MS. SCHULTZ: That was my question, Jesse.

8 MR. WADHAMS: I have to look into it.

9 MS. SCHULTZ: Is it the license or ownership?

10 MS. ESCOVER: And if it's a corporation, that's
11 different than ownership, too, because you have the ownership or
12 corporate ownership.

13 MR. WADHAMS: The question is beyond my answering at
14 this point.

15 MS. LEWIS: We'll have to get clarification on that and
16 get an opinion. It's really clear what happens if the school
17 changes ownership, you know, that's really clear. It's also
18 fairly clear --

19 (Inaudible)

20 MS. LEWIS: Well, yeah, if you sell the school --

21 MS. SCHULTZ: It depends, he's saying, if it's under the
22 school.

23 MR. WADHAMS: I'm not sure.

24 MR. WALTHERS: Let's get clarification before we go any
25 farther on it.

1 MS. LEWIS: Okay. Let's take a 15-minute break, please.

2 MS. ZESIGER: So do we bring that back up at the
3 February meeting?

4 MS. SCHULTZ: That's Jesse's project.

5 (Whereupon a break was taken.)

6 MS. LEWIS: Okay. We'll come back to order.

7 All right. We have the executive director's report.

8 MS. COOPER: That is me, and all of the Board members
9 should have this right in front of you.

10 After the November 21st Board meeting, I went in and
11 started to go through the office getting things together, trying
12 to figure out where we are. Payroll, we had a huge issue with
13 some of the employees. Some of the employees brought on were told
14 one rate and actually given another in ADP. So some of them had
15 to get back pay because they were, you know, not being paid the
16 correct amount. That's all corrected. The year-to-dates amounts
17 for pretty much everybody were wrong because of payrolls not being
18 put into ADP. The one from October that got put in through
19 QuickBooks, that one got adjusted and corrected.

20 '04/'05 financial statements are current. '05/'06 first
21 quarter is sent to GEL. All documents for audit went to Barry &
22 Stout, and they will contact us for a field audit appointment. We
23 did not meet the filing requirements for the Legislative Council
24 Bureau. We were sending an explanation as to why this week.

25 MS. LEWIS: That's for the audit?

1 MS. COOPER: Yes. I talked to them this last week. On
2 Friday we got the letter. I called and talked to him, he said,
3 fine, don't worry about it, he got the letter. He did, however,
4 explain to us that we are repeat offenders and they don't like
5 that, and I assured him with our new system we have and the new
6 bookkeeper, hopefully that will not happen again. So he's excited
7 about that.

8 First quarter of 2004, we have some problems with our
9 reporting. We have two W-2s that need to be reissued. One of
10 them was Amaryllis. Apparently between payroll and ADP, we had
11 two different payroll bookkeeping symptoms. One W-2 got sent into
12 ADP, so the payroll is off.

13 And there's a -- one employee -- there's one employee
14 that was only paid in the first quarter, not in the second
15 quarter. When payroll went over to ADP, that employee was not
16 sent over there at all. She apparently called at the first part
17 of '05 looking for her W-2. Nobody handled it or anything, so we
18 feed to follow up with her on that.

19 We've been withholding Social Security '04 and '05. We
20 got back -- We don't pay Social Security for anybody.

21 MS. LEWIS: And we found that out last year because we
22 got a refund last year.

23 MS. COOPER: Well, we don't have all of our money back
24 last year for '04, and we need to amend the reports as such.

25 PERS, our retirement system, is not being correctly

1 reported. We've gotten calls and they are actually coming out to
2 do a workshop with us in January because they are tired of our
3 reports being incorrect. So we are working on that.

4 PEBS is not currently set up correctly. People are not
5 getting their insurance cards, they aren't getting their benefits
6 packages or anything like that. So we are working on that.

7 Vacation and sick time is not correct, the balances are
8 not correct on those. We are working on that.

9 The employee files for an I-9 form, I'm sure you know
10 what happens when your I-9 form is filled out incorrectly and you
11 get audited, it's a 10,000-dollar fine for each one that is
12 incorrectly held by the employer.

13 MS. ZESIGER: What is an I-9?

14 MS. COOPER: Social Security and the Drivers License
15 were -- immigration forms and --

16 MS. LEWIS: And they are designed to state that you are
17 properly employing people who are legally authorized to work in
18 the United States.

19 MS. ZESIGER: So we are correcting those?

20 MS. COOPER: Yes. They are not filled out at all.

21 MR. WALTHERS: Are we going to get fined?

22 MS. COOPER: No. We did not get audited, but had we,
23 it's a stiff fine. The Inspection Department -- let me go over
24 Apple One real quick. Apple One, I made a phone call to Apple One
25 to try and figure out where we were with our 10-day demand letter

1 that was supposed to go out and that was never sent out. There
2 was no contact between our Board and Apple One regarding our
3 moneys back.

4 So I went ahead and made an E-mail as a formal, you
5 know, "Let's get the ball rolling," and they informed me that they
6 will not pay us back \$6,000 for Karen, that that was a head-hunter
7 fee and we were not getting that back. The amount for Amy, the
8 2900, we will be getting that back. They put a 6,000-dollar
9 credit on our account so if we ever need to have another position
10 filled, they will honor that. So that's where that is. They sent
11 me a letter on the 5th of December and they are still processing
12 the \$2900, so we are still waiting for our check on that.

13 We are current on all inspections. We are current on
14 first inspections. We got \$6,930 paid in citations from November
15 the 1st to December the 15th. We are on a three-month rotation
16 for all inspections. 27 citations were issued for November. We
17 are currently working on complaints. We are kind of behind on
18 those because of Annie's situation and her being out. And we are
19 currently working on out-of-country applications. We have four or
20 five that we are going to be doing this week.

21 Let's go into the situation with Annie. She has
22 requested -- She'll probably know more at the end of this week as
23 to how the surgery goes. She's --

24 MS. LEWIS: Just for the record, we probably need to say
25 who Annie is and what her job is.

1 MS. COOPER: Is that okay? She called me this morning.

2 MS. ZESIGER: It's nothing derogatory.

3 MR. WADHAMS: We are not discussing her competency or
4 any of that. This is just basically a status report and what she
5 would like?

6 MS. COOPER: Yes.

7 MR. WADHAMS: I don't see a problem. And she said she
8 was fine with it?

9 MS. COOPER: Yes, she did.

10 Annie Curtis is the chief inspector, and her husband
11 became ill the week of Thanksgiving and he's been in the hospital
12 in intensive ICU, he's going in for surgery for -- He has spinal
13 meningitis. He's going in for surgery to clear out his neck. The
14 pressure on the nerves in the neck has caused paralysis and he's
15 not able to breathe on his own. So they are hoping with the
16 surgery, they go in, take care of that situation, and that he will
17 be having feeling back and will be able to breathe on his own
18 again.

19 They give him a window of three to four months to see if
20 that happens. And then after that time period, they may take him
21 off the ventilator. So she's in a life-changing illness situation
22 right now and she's requested three to six months, she's not sure,
23 just depending on what happens with her husband, as a leave of
24 absence.

25 MS. LEWIS: Has she requested that in writing or she

1 just verbally requested?

2 MS. COOPER: She called me first thing this morning and
3 asked -- she said, "I know we will be discussing this," and she
4 wants you guys to understand what's going on. So she's going to
5 be asking for, regardless of whatever happens from this surgery --
6 God forbid anything happen but him not come through it, then we'll
7 cross that bridge when it happens. But right now we are looking
8 at him coming through with the surgery.

9 MS. SCHULTZ: What is she asking for?

10 MS. COOPER: Three to four months' leave of absence, and
11 I know she's got vacation time up to the end of -- like four more
12 weeks of vacation time. After that time, it would be leave
13 without pay unless the Board stipulated otherwise.

14 MS. ALEXANDER: Is she saying she would pay --

15 MS. COOPER: She would pay for the insurance, the PERS
16 and PEBS on her own.

17 MS. LEWIS: If she's on leave without pay, that's a
18 requirement for the State.

19 MS. COOPER: Yes, she is.

20 MS. SCHULTZ: I wouldn't have a problem with her taking
21 that kind of leave under the circumstances.

22 MS. ZESIGER: Does that have to be a motion?

23 MR. WALTHERS: I think on the pay part, we probably
24 should.

25 MS. LEWIS: We aren't saying --

1 MR. WALTHERS: I'm saying we should let the four weeks
2 go, and by that time we have another Board meeting and we can
3 reevaluate on pay.

4 MS. COOPER: We'll have more time.

5 MS. LEWIS: The pay issue becomes a real concern because
6 you set a precedent by whatever you do at that point.

7 MR. WADHAMS: You said she has vacation and sick time.
8 Why don't we move her to FMLA status for the time being and
9 discuss it.

10 MS. LEWIS: That's 12 weeks.

11 MR. WADHAMS: While she is out.

12 MS. LEWIS: It doesn't necessarily pay for 12 weeks, but
13 it's 12 weeks.

14 MS. COOPER: Then that's what we'll do.

15 MS. ALEXANDER: So we are moving her to FMLA for
16 12 weeks?

17 MS. LEWIS: FMLA is 12 weeks. That's what's required by
18 law is 12 weeks. And you pay whatever accumulated leave time they
19 have during that period, and after that it becomes leave without
20 pay, but you maintain the benefit for that 12-week period. So we
21 would pay the benefits; am I right?

22 MR. WADHAMS: I believe that's correct.

23 MS. LEWIS: We would pay the benefits for that 12-week
24 period. She would get paid for that 12-week period up to leave
25 time she has.

1 MS. ALEXANDER: Which is sick leave, vacation?

2 MS. LEWIS: Sick leave, vacation, and we pay the benefit
3 for 12 weeks, after which she goes on leave without pay.

4 MR. WALTHERS: But we can reevaluate that in 12 weeks?

5 MS. COOPER: Yes, we can.

6 MS. ALEXANDER: That sounds good.

7 MS. LEWIS: So we need to send her the FMLA forms to
8 complete, because you do have to have --

9 MS. ZESIGER: Put it in writing, and not just on the
10 phone, so everything is documented.

11 MS. LEWIS: So I don't think we need a motion to do
12 that, because it is --

13 MR. WADHAMS: No, the acting executive director can
14 handle it. It's an employee issue.

15 MS. LEWIS: It is a law that you do that.

16 MS. COOPER: New for 2006, we've been talking with Peele
17 about getting the documents scanned. That was approved at the
18 last meeting. We were talking about January timeframe, and it
19 will be done.

20 MS. LEWIS: Is it in the budget?

21 MS. COOPER: Yes, it is in the budget.

22 Implement renewals on birthdays with GL Suites for '07.
23 So during '06, we would like to negotiate with GL Suites to do our
24 renewals quarterly on a birthdate. So beginning in '07 will be
25 January to March, if your birthday falls in there, you'll be

1 renewing to '09, and so on and so forth.

2 MS. ZESIGER: That way we are also generating an income
3 and it shouldn't be this big mess we have, which should save us
4 money.

5 MR. WALTHERS: Is there a letter that goes out to all
6 the licensees?

7 MS. COOPER: We will be working on that the last part
8 of '06.

9 MS. LEWIS: Once we approve -- And I think what we need
10 in place would be some skeleton of a process so we can include
11 that in a letter we send out to the people and to all of our
12 cosmetologists. So we need to -- at the next Board meeting need
13 to have some skeleton or a process that we need to approve as a
14 Board, and then we can send the notice out to the people, at least
15 six months' notice.

16 MS. ZESIGER: And if all the inspections are on a
17 three-month schedule, it shouldn't be a problem for them to
18 continue giving us the letters for all the people who never call
19 to tell us where they are working or the change of address.

20 MR. WALTHERS: That's what I was thinking, the
21 inspection staff can hand them out as they are doing the
22 inspections, and then later a letter goes out.

23 MS. LEWIS: Officially, we would need to do a mailing
24 just to have a record.

25 MS. ALEXANDER: Do a mass mailing to begin with --

1 MS. LEWIS: And then in addition --

2 MS. ALEXANDER: -- and then hand out the material.

3 MR. WALTHERS: I think, Lisa, you might want your
4 inspection staff to start that early in 2006 with inspection
5 people, because it will save you a lot of work.

6 MS. ZESIGER: Even if it's a year, they would be getting
7 four of them, so they can't say they didn't get anything. "Well,
8 I wasn't there, so I didn't get it." Well, no, we've given four
9 out.

10 MS. COOPER: The implementation of new technologies for
11 the inspection department, I know they are working on this. I
12 know we've had some proposals with different companies. I'm not
13 sure who they are. I haven't been able to sit with Annie to
14 discuss it. But we would like to try to get them into computers
15 and stuff.

16 A new telephone system for the Las Vegas office, I'm
17 sure pretty much everybody would agree with that one as far as
18 getting a line in.

19 MS. LEWIS: So will we get a proposal from Sprint or
20 other companies?

21 MS. COOPER: We'll get a proposal from three different
22 companies on giving us new things. We want to integrate with the
23 Reno office, obviously, since we are getting a new telephone
24 system here, so we want it to do what we need it to do.

25 The inspection department, real quick I want to go back

1 up. We are current on all inspections. We have visited everybody
2 since renewal twice, and we need to start citing for licenses, so
3 we need the Board's approval.

4 MS. ZESIGER: With our new fees.

5 MS. COOPER: With our new fees.

6 MR. WALTHERS: I make a motion that we go to the new
7 fees and the inspection staff as of January 1.

8 MS. LEWIS: And cite for licensing.

9 MS. SCHULTZ: I'll second.

10 MS. ALEXANDER: I'll second. Everybody wants to second
11 that.

12 MS. LEWIS: It's been moved by Mr. Walthers and seconded
13 by everybody that we implement citations for no licenses under the
14 new fees in January. All in favor of the motion?

15 (Unanimous ayes.)

16 MS. LEWIS: Opposed? Because the new fees are already
17 in effect.

18 MS. COOPER: Yes, they are.

19 MS. LEWIS: Okay.

20 MS. COOPER: Sick time buy-out. Some employees would
21 like to know if they can buy out sick time. In the past they had
22 to leave five days on the book due to a skeleton crew during the
23 Christmas/New Year's week. I've also been asked if they could
24 have a skeleton crew, but everybody is sick so we have a skeleton
25 crew. The sick time buy-out, this I felt should be in the

1 November Board meeting because now they want me to cut a check
2 tomorrow.

3 MS. LAMB: But the personnel manual, we talked about
4 after five days you can buy the rest, and it wasn't anything to do
5 with Christmas, it was just that we thought if you had that many
6 days left we wanted to reward you for not calling in sick all the
7 time. So I don't think -- I don't see why we would buy that.

8 MS. SCHULTZ: I think it's their --

9 MS. COOPER: They want to buy out all of their sick
10 time.

11 MS. ZESIGER: I don't think so.

12 MS. LAMB: After five days buy back whatever you want,
13 but that gives you the incentive to be there.

14 MS. ALEXANDER: You need five days. You never know what
15 happens.

16 MS. LEWIS: Look what's happening now.

17 MS. ZESIGER: You would have an empty office.

18 MS. LEWIS: And they would be without pay, too. So I
19 think the rules as they are established -- And you need to make
20 sure they are established in your employee handbook, because I
21 don't have one in front of me.

22 MS. LAMB: We talked about that.

23 MS. LEWIS: But I don't have it in front of me, so I
24 don't really know what's in there.

25 MS. COOPER: Okay. Our bookkeeper that we have now, her

1 name is Deborah Knowles, she's from Accountemps and has been
2 working out very well. GEL and Barry & Stout have both commented
3 on how wonderful it's been with her. She is a certified
4 QuickBooks personnel, which means she can teach anybody to use
5 QuickBooks and they can be certified, as well.

6 I feel that with Deborah doing our books that this will
7 enable us to lower our cost with GEL and Barry & Stout, and that
8 she really has filled a void in our system that is going to be
9 nice to have. Deborah is contracted through Accountemps and I
10 have negotiated with them. They were not --
11 She was just a temp. She wasn't on a contract, she wasn't --
12 Everything that we were paying to them was going down the sink,
13 but I asked them if we could renegotiate that from Day One and
14 they did.

15 Her -- Technically, she would have a buy-out is what we
16 would say of \$9,000, but they were putting all of the money that
17 we have paid already toward that 9,000-dollar buy-out. So that
18 means that if we want to leave her on for another three weeks at
19 status quo, at the end of those three weeks we can bring her on as
20 an employee without paying anything, which I thought was a pretty
21 sweet deal.

22 MS. ZESIGER: That's good.

23 MS. COOPER: Going onto the year-round renewal, we are
24 going to be having more deposits year-round. We are going to be
25 doing more things along those lines, so we will be able to fill

1 more of her time with that.

2 MS. LEWIS: That will be starting in '07?

3 MS. COOPER: She's going to be busy. We've got --

4 MR. WALTHERS: A backlog.

5 MS. ZESIGER: Thank you. That's a good word.

6 MS. COOPER: We have a backlog of stuff that needs to be
7 taken care of, a logjam, and she's working through it well. So
8 that's kind of where we are with her. I would like to bring her
9 on at a salary of \$45,000, which is an average rate for a
10 bookkeeper of her knowledge, and that would be in like the three-
11 to four-week timeframe, so we could utilize the no buy-out.

12 MS. ZESIGER: Is she not taking a cut?

13 MS. COOPER: No.

14 MS. ZESIGER: At one time what were you talking about,
15 she said something about if she was going out in the field it
16 would be X amount of money?

17 MS. COOPER: If she was using her QuickBook knowledge if
18 she went to work for a CPA, she used to work for a CPA and they
19 used to bill her out at like \$855 an hour, so she was making about
20 58,000. And so this would be a cut in pay, and I have discussed
21 that with her. We feel it's a good fit. She feels it's a good
22 fit.

23 MS. ZESIGER: She likes everybody and likes the office.
24 That helps.

25 MS. COOPER: Yeah, she does, she likes the -- everybody

1 that she's been dealing with. She's been happy with everybody.

2 MR. WALTHERS: Well, if she's happy with the 45-, then
3 we ought to be.

4 MS. ZESIGER: That's my point in bringing that out. If
5 she's happy with the 45- and can go out and get 58- and she likes
6 the office and likes the work --

7 MR. WALTHERS: I sure in the hell wouldn't do it.

8 MS. ZESIGER: I had asked her after she got everything
9 caught up, would this be a full-time position, and she said, "Yes,
10 it would, because I can fill my time with other things and get
11 involved in more things in the office." She said she had no
12 problem with that. So she wasn't just looking at it temporarily.

13 MS. ALEXANDER: Plus she has benefits, whereas when she
14 is out in the field, the benefits don't come, she's responsible
15 for them. So I guess she saw this works out kind of evenly. She
16 don't have to pay her own benefits.

17 MS. SCHULTZ: I would like to make a motion at this time
18 that we bring Deborah on after her contract runs out at the
19 recommended salary of 45,000 as our bookkeeper.

20 MS. ZESIGER: I second.

21 MS. ALEXANDER: I second.

22 MS. LEWIS: Okay. It's been moved and seconded that we
23 bring Deborah on after her contract runs out as a full-time
24 bookkeeper. Is there a question on the motion? All in favor,
25 please say aye.

1 (Unanimous ayes.)

2 MS. LEWIS: Opposed?

3 Okay.

4 MS. COOPER: Staffing needs, we are currently meeting
5 our needs with the exception of a general manager. With Annie
6 going through her life-changing illness, it makes it very
7 difficult for our team all around. I have not been able to talk
8 with Annie regarding the open inspection position, and I feel the
9 needs are not in the field as we are current in our inspections.
10 We are on a three-month turnaround, and we have been for three to
11 four months now.

12 I do feel that our needs are more in the troubleshooting
13 area with upper-level questions that Annie has been providing
14 knowledge for, and I would like to have someone in the office who
15 has the background knowledge that is needed of our industry and
16 can hit the ground running with any issues that they may be faced
17 with.

18 I would like to hire a person as a managing supervisor
19 for the office and the inspection department until Annie can
20 return, and at that time they can manage the day-to-day
21 operations.

22 MS. SCHULTZ: I would like to make a recommendation, and
23 I would be happy to put it into a motion, but I think Lisa has
24 been doing an outstanding job and she's okay with the traveling.
25 I would like to put her in as permanent into the position of

1 executive director. And I think with the help of an office
2 manager in Las Vegas, we don't need an office manager in Reno.
3 The only thing that we would be adding to the staff then would be
4 an Assistant I, right, in the office in Reno or an Office Field
5 Level I; right?

6 MS. COOPER: Right.

7 MR. WALTHERS: But we would be adding this manager.

8 MS. SCHULTZ: Office manager up there, but that deletes
9 the salary that we were giving Mila.

10 MR. WALTHERS: What I'm questioning is we need two
11 people, Lisa as the executive director and then we need an office
12 manager that would oversee --

13 MS. SCHULTZ: I would like to see Gloria put in that
14 position myself, because she has the field experience, she has the
15 business experience, she gets along well with the staff, she's
16 already been in the office. The staff seems to get along with
17 her. I think she can handle the staff.

18 MS. ZESIGER: Are you looking at her going between Reno
19 and here, too? Reno and here. Or just Lisa? You're not looking
20 at Gloria?

21 MS. SCHULTZ: Just Lisa because I think she can manage
22 both offices just fine as executive director, and I would like to
23 put that in a motion, actually, make Lisa permanent executive
24 director and bring on Gloria -- you would have to resign, though,
25 Gloria -- as office manager.

1 MR. WADHAMS: If we could just hold off on that. We are
2 right now in the middle of the report. If we could move that to
3 new business, just to be -- I hate to be a stickler on that.

4 MS. COOPER: So those are my recommendations for the
5 office.

6 MS. LEWIS: Thank you for your report.

7 MS. COOPER: The Reno report, I'm not doing much of.
8 You saw the office furniture, we got the furniture, we have the
9 computers, we are waiting on the phone system, we are doing really
10 well, thank you.

11 MS. SCHULTZ: The office looks well.

12 MS. COOPER: And it's still clean.

13 MS. ZESIGER: Is the testing doing all right?

14 MS. COOPER: Yeah, it's been doing fine. We need to get
15 Raider training, so we are going to be knocking on your door.

16 MR. WALTHERS: Well, I asked them about that, and until
17 the contract is signed, they can't give you a date.

18 MS. COOPER: Okay.

19 MS. ZESIGER: Didn't we sign it?

20 MS. COOPER: So we sent in the contract to State
21 Purchasing on Friday.

22 MR. WALTHERS: It's been sent, but not come back.

23 MS. COOPER: That's just a formality, then. All right.

24 MS. ALEXANDER: Am I going to assume you sent it in to
25 State Purchasing, and they look it over and then the final

1 contract will come back for signature; right?

2 MR. WALTHERS: It's my understanding, but I'm not a
3 hundred percent sure because, you know, I try to stay out of all
4 of that, is that when Purchasing was done, you guys approved NIC,
5 then it goes to NIC's legal counsel, he looks it over, he signs,
6 and then it comes back to you. So we can't make any decisions
7 until it's back to you, signed.

8 MS. ALEXANDER: So your counsel has looked it over, it's
9 back to us, it's back at State Purchasing then?

10 MR. WALTHERS: I have no idea.

11 MS. ALEXANDER: I mean that's where it is, it's back in
12 State Purchasing now, and after it's looked over by State
13 Purchasing, if everybody is in agreeance, the final contract will
14 be signed by your Board chairman and whoever chairs the committee
15 I think that is how that works.

16 MR. WALTHERS: But they won't schedule Raider training
17 until that is signed, and they already have the year going, so the
18 sooner the better for you guys, especially like the Reno area.

19 MS. COOPER: Right, right. Bertha, we are not sure we
20 need to contact her, I got a letter from her last week with her
21 schedule of appointments, but she had eye surgery in the beginning
22 of December, so she is out. Jill and I have been doing the
23 written, the practical is done by Agnes Rosco.

24 MS. ZESIGER: If you get this position, you will not
25 have time to do that.

1 MS. COOPER: That's right, and I have trained Jill to do
2 the practicals and the reading if necessary.

3 MS. SCHULTZ: Larry, you can do them, can't you?

4 MR. WALTHERS: Yeah, I can do examination.

5 MS. ZESIGER: Do you have time?

6 MS. COOPER: Do you have time? What are you doing on
7 the 9th?

8 MR. WALTHERS: I think I'm home. No, I'm not. No, I'm
9 not.

10 MS. COOPER: We'll go down to the chief inspector.

11 MS. LEWIS: Okay. We are at the chief inspector report.

12 MS. COOPER: Chief inspector report. I kind of went
13 over it with my report. Susan Padilla asked to be put on this as
14 the one and then she asked to be taken off after it was posted, so
15 we were going to amend it as necessary. So we are erasing it off
16 of there.

17 MS. LEWIS: The chief inspector report, we are done with
18 that.

19 MS. ZESIGER: What are we reversing?

20 MS. COOPER: Nothing now. It's not on the agenda.

21 MS. ZESIGER: Okay.

22 MS. LEWIS: Testing report.

23 MS. COOPER: Testing report, it's pretty self-
24 explanatory. Total tested, 346; total pass, 245; total fail, 101.
25 They are doing good in Vegas. We are coming into our new testing

1 system. We are having a bit of a problem to have the schools use
2 our forms, but we are working with them on that. We are doing
3 fine. We are ready for their testing, and that is it.

4 MS. LEWIS: And review of the service contract, do we
5 need to review that?

6 MS. SCHULTZ: I think we need to approve it so that you
7 can sign it when it comes back. Does anybody have any questions
8 about the service contract?

9 MS. LEWIS: Can I have a motion to approve?

10 MS. SCHULTZ: I'll make a motion to approve.

11 MS. ALEXANDER: Second.

12 MS. LEWIS: It's been moved and seconded that we approve
13 the contract that's before us. All in favor of the motion say
14 aye.

15 MR. WALTHERS: Wait. Can I have a question?

16 MS. LEWIS: Sure.

17 MR. WALTHERS: Because I'm chairman of that testing
18 committee, should I abstain from this vote?

19 MR. WADHAMS: Probably. Probably a good idea. I don't
20 think anybody is going to worry about your conflict on it.

21 MR. WALTHERS: I don't want a conflict on it.

22 MS. LEWIS: All in favor of the contract, please say
23 aye.

24 (Ayes.)

25 MS. LEWIS: Opposed or abstention?

1 MR. WALTHERS: Abstention.

2 MS. LEWIS: We have one abstention. Larry Walthers
3 abstained. The motion passed.

4 MR. WALTHERS: How about if I recuse myself from it?

5 MR. WADHAMS: I do need to check to make sure this
6 doesn't need to go to the Board of Examiners.

7 MS. SCHULTZ: It's approved for signature right now from
8 us.

9 MR. WADHAMS: Okay. It's not a big deal. Never mind.
10 Just one question on the terminology, but it's not a big deal. I
11 can deal with it.

12 MS. LEWIS: We are down to comments by the general
13 public.

14 MS. ESCOVER: I want to tell all of you --

15 MS. LEWIS: You want to state your name?

16 MS. ESCOVER: My name is Sandra Escover with Carson City
17 Beauty Academy. And on behalf of the schools I've talked with, I
18 want to thank you all for moving forward and stop tabling this and
19 that and doing the best that you can, because it had been a
20 nightmare. As most of you know, I still am kind of wondering
21 where we are and have been here for a long time. I think it's
22 being put together. I do want to thank you for your time and at
23 least moving forward, at least taking a step and making a
24 decision, whether it's right or wrong, making a decision. You can
25 ratify it or correct it, but I do want to thank you for that on

1 behalf of the students that are now getting able to test.

2 MS. LEWIS: Thank you. We appreciate that comment.

3 Thank you very much.

4 MS. ZESIGER: Makes us feel better.

5 MS. LEWIS: Any other comments by the general public?

6 Okay. We have new business.

7 MR. WALTHERS: Yes. I would like all these students
8 that signed in to be able to get the whole day's worth of eight
9 hours, but if anybody clocked out early, then they only get the
10 hours they were here for.

11 MS. ZESIGER: I second that.

12 MR. WALTHERS: And Merry Christmas.

13 MS. LEWIS: Okay. Thank you. We will have the -- that
14 noted by the staff so they can get credit for the entire day. I
15 guess we can agree to that by common consent.

16 MS. SCHULTZ: Yes. Did everybody sign in?

17 Any other comments?

18 MS. LAMB: Actually, I have a letter to pass out. My
19 letter of resignation. It's nothing against anybody here, it's
20 been an honor, but I just -- I see the Board has a lot of
21 problems, and I thought for a long time we were working through
22 things, but I honest -- it's problems that are ongoing, and if
23 they are not going to be worked out, then I find it a waste of my
24 time to be here. And I appreciate and respect everyone here, I
25 had a totally enjoyable time working with you, but I just think

1 sometimes we are going in the wrong direction. But I wrote
2 everything out, and I thank you.

3 MS. LEWIS: Very good. I think you should send that to
4 the Governor's office, and they have the responsibility for
5 appointing new people to the Board, and thank you for your
6 service.

7 MS. LAMB: Any time.

8 MS. LEWIS: Any other business?

9 MR. WALTHERS: I did get a letter from the Governor that
10 we had way less complaints than we had in the last few years.

11 MS. LEWIS: I got a couple of comments from the
12 Governor's office, but I won't share those at the moment, I will
13 share them later.

14 MS. SCHULTZ: I would like to revisit the motion I made
15 earlier in making Lisa permanent executive director as long as she
16 can travel back and forth. In the event that she can't, then we
17 would revisit the idea of her coming back to the Reno area. At
18 the same motion, I would like to make a motion that we put Gloria
19 Alexander in as office manager.

20 MS. ZESIGER: Office manager or general manager?

21 MS. LEWIS: Two motions.

22 MR. WADHAMS: Two motions. And probably just in the
23 interest of disinterested and lack of conflict, Gloria should
24 probably resign before being offered the job.

25 MS. LEWIS: I think that that is a requirement we

1 can't --

2 MR. WADHAMS: You can't give her -- I would imagine that
3 it would be reversed by the Governor's office, should she get the
4 job while she is still -- I know it's a subtlety, but we better do
5 it that way.

6 MS. SCHULTZ: Why don't I put it then that as executive
7 director, Lisa can make the decision of hiring an office manager
8 and who to put in that position.

9 MR. WADHAMS: That would be -- give her the authority
10 to hire an office manager.

11 MS. SCHULTZ: Yeah, office manager for Las Vegas.

12 MR. WADHAMS: You probably should define what you're
13 going to authorize her to hire her for.

14 MS. COOPER: I would rather have the position be a
15 general manager for now because of Annie's absence. I want it
16 clear that person is over both the inspection department and the
17 office until Annie is returned, and at that time it will be the
18 office manager.

19 MS. LEWIS: Then I think you would have to make that a
20 temporary position if you're going to --

21 MS. ZESIGER: Change.

22 MS. COOPER: It may never change, though.

23 MS. LEWIS: And you need a job description.

24 MR. WADHAMS: So, yeah, I would do it as two separate
25 motions. She can put together a job description of the person --

1 or the position she would like to fill, submit it to the Personnel
2 Commission.

3 MR. WALTHERS: Could we also on a second one, could we
4 put it in a motion that if we were to hire Gloria as the office
5 manager or general manager upon her resignation from the Board of
6 Cosmetology?

7 MR. WADHAMS: I would prefer not to put it in a motion
8 while she's still a member of the Board.

9 MS. ALEXANDER: Just give her the authority to be able
10 to do it.

11 MS. SCHULTZ: So my motion again is that we make Lisa
12 Cooper permanent executive director of the Board and that we give
13 her the authority to hire an office manager.

14 MR. WALTHERS: I'll second that.

15 MS. LEWIS: It has been moved and seconded that we make
16 Lisa Cooper the executive director for the Board of Cosmetology
17 and that she be given the authority to hire an office manager. Is
18 there a question on the motion? Any discussion?

19 All in favor of the motion, please say aye.

20 (Ayes.)

21 MS. LEWIS: Opposed?

22 MS. LAMB: I'm going to abstain because I just resigned.

23 MS. LEWIS: That's a good point. Motion carries.

24 Are you going to make any statement as to what Lisa
25 Cooper's salary should be?

1 MS. SCHULTZ: Taking into consideration the traveling
2 and so on, but I think that -- What do you normally set that
3 salary at?

4 MS. LEWIS: The last executive director I believe was
5 being paid \$60,000 a year.

6 MS. ZESIGER: To start.

7 MR. WALTHERS: Based on this title thing it says 50,000.

8 MS. LEWIS: Yeah, that's what's in the budget. That's
9 what is being prepared in the budget. But that's what the last
10 executive director was paid was 60,000.

11 MS. ZESIGER: They hired her above.

12 MR. WALTHERS: I'm going by what Lisa did.

13 MS. SCHULTZ: Why don't we go in the middle there and
14 say 55-, at 55-.

15 MS. ZESIGER: May I ask one question? Gloria, you
16 figured out what the traveling was, did you not, with the room and
17 travel? How much did that come to?

18 MS. ALEXANDER: It came out under 300 per week. With
19 her room and airfare, 248, so it's under 300 per week.

20 MS. LEWIS: So 300 per week times 52 weeks a year, if
21 she travels that much, I think it comes up to 15,600 a year.

22 MS. ZESIGER: How much?

23 MS. LEWIS: 15,000.

24 MS. ZESIGER: Can we state what her salary is at that
25 time?

1 MS. COOPER: Uh-huh. Her salary is 40,800.

2 MS. SCHULTZ: So if we take her to 55-, then she's okay.
3 Even with travel, we will be slightly over; is that correct?

4 MS. LEWIS: It would be 70,000.

5 MS. COOPER: I probably won't be traveling on Christmas.

6 MS. ZESIGER: Plus are you using the card for your
7 mileage?

8 MS. ALEXANDER: She's at 40- now, and take her to 55-
9 and add 15,000 for travel.

10 MS. LEWIS: That's what we are saying, an additional
11 expense we would be paying.

12 MS. ALEXANDER: I thought in the past we were paying
13 65,000 for the old position.

14 MS. SCHULTZ: Plus her salary.

15 MS. LEWIS: I'm just saying -- I'm just adding up the
16 numbers you all are giving me. I'm not questioning whether or not
17 she's going to do it.

18 MS. SCHULTZ: I would like to make a motion that we pay
19 her 55,000 a year.

20 MR. WALTHERS: I'll second it if she says she's all
21 right.

22 MS. ALEXANDER: I'll second it.

23 MS. LEWIS: We'll second that we pay Lisa Cooper 55,000
24 a year to start as executive director. Is there a question on the
25 motion?

1 MR. WALTHERS: And no raise for ten years.

2 MS. LEWIS: That's not part of the motion. Is there a
3 question?

4 All in favor say aye.

5 (Ayes.)

6 MS. LEWIS: Opposed?

7 MS. LAMB: Abstained.

8 MS. LEWIS: Any other comments?

9 MS. COOPER: I have new business. I gave everybody a
10 copy of this. Do we have jurisdiction over this?

11 MS. LEWIS: Is this in the mall?

12 MS. COOPER: No. They are doing brow waxing.

13 MS. LAMB: Are they estheticians?

14 MS. COOPER: They are not estheticians.

15 MS. SCHULTZ: They are in violation.

16 MS. LEWIS: There was somebody doing something like this
17 in the mall and they were in violation.

18 MS. COOPER: This is what happened. There is a place
19 called Nevada Skin Care, and the person is Wendy Jones. I don't
20 know if anybody is familiar with her. I know she's been before
21 the Board a time before.

22 Wendy Jones owns Nevada Skin Care. This is supposedly
23 an extension of Nevada Skin Care. When the inspectors from Las
24 Vegas called, they said that they were in the same building as
25 Nevada Skin Care. Well, Nevada Skin Care is in Suite No. 4, and

1 this place is in Suite No. 12.

2 MR. WALTHERS: It's not the same place.

3 MS. COOPER: When Michael went in to inspect, they told
4 him to get out, they have no jurisdiction over them. We have no
5 jurisdiction over them.

6 MS. ZESIGER: That's wrong.

7 MS. SCHULTZ: That's wrong.

8 MS. LAMB: They are doing waxing and tinting.

9 MS. ZESIGER: They could do lash extension if they want
10 a suite for that, but they can't do the rest of it. They have to
11 move it back to Suite 4.

12 MS. COOPER: Okay. Now, the other thing, the question
13 is there are two people that are not licensed at all, they are --
14 there's no licensing from us whatsoever. There's a question as to
15 whether they are taking clients back into Suite No. 4 for doing
16 these procedures that are covered by us, so, you know, it's like
17 borderline.

18 MS. ALEXANDER: Gray area.

19 MS. COOPER: They are really playing the system.

20 MS. ZESIGER: If they are not licensed by us, --

21 MS. COOPER: They shouldn't be in there.

22 MS. ZESIGER: -- they shouldn't be in 4 or 12.

23 MS. LAMB: They can be in 12 and offer lash extension,
24 but they can't do services in 4.

25 MS. ZESIGER: So you should notify them by mail.

1 MR. WALTHERS: No, the inspector --

2 MS. ZESIGER: Even if they tell him to get out.

3 MS. LEWIS: A cease and desist and turn them over to the
4 DA.

5 MS. ALEXANDER: They deserve a citation.

6 MS. ZESIGER: And our fees went up, too.

7 MS. COOPER: Yes, they did. They can be one of the
8 first on the raise.

9 MS. LEWIS: I have a question for --

10 MS. COOPER: Yes?

11 MS. LEWIS: No, not for you, for Jesse. In terms of
12 these, I'm going to ad infinitum regulations, we need to notice
13 the public by the 6th of January that we are going to have a
14 workshop to review the regulations.

15 MR. WADHAMS: To make the couple of corrections we
16 talked about.

17 MS. LEWIS: And incorporate those things from the 2005
18 law.

19 MR. WADHAMS: We captured a lot of that, and I do recall
20 us discussing the student instructor. However, we never created a
21 corresponding NAC to go along with whatever was created in the
22 bill. So we can revisit that and incorporate that, but I think we
23 captured everything else that was changed.

24 MS. LEWIS: What about the resort license?

25 MR. WADHAMS: That's in there. I created the language

1 for that.

2 MS. LEWIS: On the last page where we talked about
3 the --

4 MR. WADHAMS: So I added the resort license, I changed
5 the fees, and then I did the -- I thought we had captured the
6 student instructor, but I don't know if we set the exact language
7 we wanted. The question that Lisa came back to me with was we are
8 going to try to do the adoption today, however, I didn't believe
9 that our small business impact statement had been done properly.
10 Now, we just need to get that done and we -- it's fairly evident
11 which are going to be the laws that impact small businesses. I
12 don't think there's any question it's just going to be, "Hey,
13 look, here is our new fee schedule and the bond issue." So we
14 need to do something that solicits the comments of small business.
15 That can be either through letter --

16 MS. LEWIS: I was going to say, can we do another letter
17 and can the staff draft an appropriate letter?

18 MR. WADHAMS: We can do a letter, we can bring in some
19 folks, a representative number of folks, if you wanted to bring
20 them into the office to chat with Lisa about that. I mean, it
21 just needs to be some way of saying, "Look, we've looked at the
22 small business impact, we tried to mitigate that," just so we can
23 basically say, "Look, small business impact statement has been
24 done. We've tried to mitigate it and go forward." So it can be
25 done either through letter or through a meeting or phone calls.

1 Anything that gets some feedback.

2 MS. LEWIS: Okay. But if we do it through a meeting, we
3 need to be able to document a meeting; correct?

4 MR. WADHAMS: We would want to document it, but it's not
5 an open meeting, it's a discussion on, "Hey, how does this impact
6 you?"

7 MS. LEWIS: Okay. So now what are we -- I guess my
8 question is, we need to notice --

9 MR. WADHAMS: For the workshop?

10 MS. LEWIS: -- we need to notice for the workshop?

11 MR. WADHAMS: Because we are changing some of the
12 numbers.

13 MS. LEWIS: We need to notice for the workshop 30 days
14 ahead of time, then we also need to establish a procedure for the
15 small business impact statement; is that correct?

16 MR. WADHAMS: We sent the letter out and didn't get any
17 responses, so it may be just easier just to call in some folks who
18 can ask -- who we can say, "Hey, here is our list of new fees and
19 the bond. Talk to us about how this is going to impact you."

20 MS. LEWIS: And of course, when we conducted the first
21 workshop, many of the schools were there to participate. Not
22 necessarily practitioners, but certainly schools were there to
23 talk about that.

24 MR. WADHAMS: Certainly. So I think we need to get a
25 few more comments so we can say that we looked at it. And we

1 could be ready to adopt this as of the April meeting.

2 MS. LEWIS: Okay. All right. Thank you very much. I
3 just wanted to get that so we could clarify what we need to do,
4 and I didn't do that.

5 Any other business?

6 This meeting is adjourned.

7 (Whereupon the public hearing concluded at 11:29 a.m.)
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1 STATE OF NEVADA)
) ss.
2 COUNTY OF WASHOE)

3

4 I, SUSAN CULP, a notary public in and for the County of
5 Washoe, State of Nevada, do hereby certify:

6 That on, the 19th day of December 2005, at the hour of
7 [!START TIME][!AM/PM] of said day, at the offices of Nevada State
8 Board of Cosmetology, 4600 Kietzke Lane, Bldg. B, Ste. 111, Reno,
9 Nevada, a public hearing was held; that said public hearing was
10 taken in verbatim stenotype notes by me, a Certified Shorthand
11 Reporter, and thereafter transcribed into typewriting as herein
12 appears;

13 That the foregoing transcript, consisting of pages 1
14 through 87 is a full, true and correct transcript of my stenotype
15 notes of said public hearing to the best of my knowledge, skill
16 and ability.

17 DATED: At Reno, Nevada, this 18th day of January, 2006.

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SUSAN CULP, CSR #343

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